

**JACKSON PARISH
SALES TAX COLLECTION AGENCY
ANNUAL FINANCIAL REPORT
JUNE 30, 2015**

Jackson Parish Sales Tax Collection Agency
June 30, 2015

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Required Supplementary Information		
Management's Discussion and Analysis	-	1-4
Independent Auditor's Report	-	5-7
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	A	10
Statement of Activities	B	11
Fund Financial Statements		
Balance Sheet-Governmental Fund	C	13
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	D	14
Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Fund	E	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	F	16
Agency Fund		
Statement of Fiduciary Net Position	G	17
Notes to Financial Statements	-	19-33
Other Required Supplementary Information		
Budgetary Comparison Schedule-General Fund	H	35
Schedule of Employer's Share of Net Pension Liability	I	36
Schedule of Employer Contributions	J	37
Schedule of Compensation, Benefits and Other Payments to Agency Heads	K	38
Supplementary Information		
Statement of Changes in Fiduciary Net Position	L	40

Jackson Parish Sales Tax Collection Agency
June 30, 2015

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Other Reports		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	M	42-43
Schedule of Audit Findings	N	44

JACKSON PARISH SALES TAX COLLECTION AGENCY

P. O. Box 666
Jonesboro, LA 71251

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Jackson Parish Sales Tax Collection Agency's (hereafter referred to as the Agency) annual financial report presents an overview and analysis of the Agency's financial activities for the year ended June 30, 2015. The intent of the MD&A is to look at the Agency's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the Agency's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Agency as a whole and presents a longer-term view of the Agency's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the Agency's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Agency's net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.
- The Statement of Activities presents information showing how the Agency's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the Agency are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency conducts its day-to-day operations through a governmental fund, the General Fund. These statements provide a short-term view of the Agency's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Agency. The Agency also maintains a Fiduciary Fund, in which these funds are simply held for other parties and cannot be used for any of the Agency's activities, it is not included in the government-wide statement, but is separately reported in the statement of the Fiduciary Fund.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2015</u>	<u>2014</u>
ASSETS:		
Current Assets	\$20,517	\$25,857
Capital Assets, Net	<u>11,708</u>	<u>11,828</u>
Total Assets	<u>\$32,225</u>	<u>\$37,685</u>
DEFERRED OUTFLOWS OF RESOURCES:	\$ <u>7,977</u>	\$ <u>7,500</u>
LIABILITIES:		
Accounts Payable	\$ 4,017	\$ 6,983
Payroll Related Payables	5,930	6,640
Accrued Compensated Absences	7,330	9,571
Net Pension Liability	<u>5,985</u>	<u>1,061</u>
Total Liabilities	<u>\$23,262</u>	<u>\$24,255</u>
DEFERRED INFLOWS OF RESOURCES:	\$ <u>1,364</u>	\$ <u>7,500</u>
NET POSITION:		
Net Investment in Capital Assets	\$11,708	\$11,828
Unrestricted	<u>3,868</u>	<u>1,602</u>
Total Net Position	<u>\$15,576</u>	<u>\$13,430</u>

Summary of Statement of Activities

	<u>2015</u>	<u>2014</u>
REVENUES:		
Charges for Services	\$164,062	\$168,577
Interest	8	5
Nonemployer Pension Revenue	1,068	0
Other Income	<u>17,890</u>	<u>953</u>
Total Revenues	<u>\$183,028</u>	<u>\$169,535</u>
EXPENSES:		
Personnel Services	\$102,220	\$109,045
Legal & Accounting	25,190	14,443
Operating Services	<u>53,472</u>	<u>32,962</u>
Total Expenses	<u>\$180,882</u>	<u>\$156,450</u>
Change in Net Position	<u>\$ 2,146</u>	<u>\$ 13,085</u>

- The Agency's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$15,576 (net position) for the year, and the net position for the prior year was \$13,430.
- Unrestricted net position of \$3,868 represents the portion available to maintain the Agency's obligation to both citizens and creditors. For the prior year, this was \$1,602, an increase of \$2,266 for the year.

General Fund Budgetary Highlights

The actual revenues were \$3,285 less than the budgeted amount for the year and expenditures were \$1,621 less than the budgeted amount for the year.

Debt Administration

Long-term debt of the Jackson Parish Sales Tax Collection Agency includes a newly recognized net pension liability based on actuarially determined amounts in accordance with GASB No. 68 in the amount of \$5,985.

Economic Factors and Next Year's Budget

The primary revenue source is the charges for services received from the different taxing bodies based on a pro-rata basis on the ratio that the taxes collected for each bears to the total taxes collected for all during the preceding month. Any significant long-term decrease in sales tax would have an impact on the office operations. As there are minimal changes expected in the next fiscal year, the budget for FY 2015/2016 should not significantly differ from FY 2014/2015.

Contacting the Agency

This financial report is designed to provide our citizens and creditors with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Jackson Parish Sales Tax Collection Agency, P. O. Box 666, Jonesboro, LA 71251-0666.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Jackson Parish Sales Tax Collection Agency
P. O. Box 666
Jonesboro, LA 71251

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, major fund and fiduciary fund of the Jackson Parish Sales Tax Collection Agency as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund and fiduciary fund information of the Agency as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, the Agency has adopted the provisions of GASB Statement 68 *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer listed as required supplementary information in the table of contents and the Statement of Changes in Fiduciary Net Position, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, and the Statement of Changes in Fiduciary Net Position are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2015, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

December 3, 2015
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Jackson Parish Sales Tax Collection Agency
Statement of Net Position
June 30, 2015

	<u>Governmental Activities</u>
ASSETS:	
Current Assets:	
Cash & Cash Equivalents	\$13,807
Revenue Receivable	<u>6,710</u>
Total Current Assets	\$20,517
Non-current Assets:	
Capital Assets, Net	<u>11,708</u>
Total Assets	\$32,225
DEFERRED OUTFLOWS OF RESOURCES	\$ <u>7,977</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 4,017
Payroll Related Payables	<u>5,930</u>
Total Current Liabilities	\$ <u>9,947</u>
Long-term Liabilities:	
Accrued Compensated Absences	\$ 7,330
Net Pension Liability	<u>5,985</u>
Total Long-term Liabilities	\$13,315
Total Liabilities	\$23,262
DEFERRED INFLOWS OF RESOURCES	\$ <u>1,364</u>
NET POSITION:	
Net Investment in Capital Assets	\$11,708
Unrestricted	<u>3,868</u>
Total Net Position	\$15,576

The accompanying notes are an integral part of this statement.

Jackson Parish Sales Tax Collection Agency
Statement of Activities
June 30, 2015

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Fees, Fines, Commissions, And Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
General Government	<u>\$180,882</u>	<u>\$164,062</u>	<u>\$0</u>	<u>\$0</u>	<u>\$(16,820)</u>

General Revenues:

Interest Income	\$ 8
Nonemployer Pension Revenue	1,068
Miscellaneous	<u>17,890</u>
Total General Revenues	<u>\$ 18,966</u>
Change in Net Position	\$ 2,146
Net Position at Beginning of Year (Restated see Note 2)	<u>13,430</u>
Net Position at End of Year	<u>\$ 15,576</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Jackson Parish Sales Tax Collection Agency
Balance Sheet-Governmental Fund
June 30, 2015

	Governmental <u>Fund</u>
ASSETS:	
Cash & Cash Equivalents	\$13,807
Revenue Receivable	<u>6,710</u>
Total Assets	<u>\$20,517</u>
LIABILITIES:	
Accounts Payable	\$ 4,017
Payroll Related Payables	<u>5,930</u>
Total Liabilities	\$ 9,947
FUND BALANCE:	
Unassigned	<u>10,570</u>
Total Liabilities and Fund Balance	<u>\$20,517</u>

The accompanying notes are an integral part of this statement.

Jackson Parish Sales Tax Collection Agency
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2015

Total Fund Balance for the Governmental Fund at June 30, 2015	\$ 10,570
Amounts reported for Governmental Activities in the Statement of Net Position is different because:	
Capital Assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the fund. Those assets consist of:	
Capital Assets	68,621
Less, Accumulated Depreciation	(56,913)
Deferred Outflows of Resources used in Governmental Activities are not financial resources and therefore are not reported in the Governmental Fund Balance Sheet-	7,977
Long-term Liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet-	
Net Pension Liability	(5,985)
Accrued Compensated Absences	(7,330)
Deferred Inflows of Resources are not due and payable in the current period and, therefore are not reported in the Governmental Fund Balance Sheet-	<u>(1,364)</u>
Total Net Position of Governmental Activities at June 30, 2015	<u>\$ 15,576</u>

The accompanying notes are an integral part of this statement.

Jackson Parish Sales Tax Collection Agency
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
Year Ended June 30, 2015

	Governmental <u>Fund</u>
REVENUES:	
Charges for Services	\$164,062
Miscellaneous- Other Income	17,890
Interest	<u>8</u>
Total Revenues	<u>\$181,960</u>
EXPENDITURES:	
Current- Personnel Services	\$105,082
Legal & Accounting	25,190
Operating Services	<u>53,352</u>
Total Expenditures	<u>\$183,624</u>
(Deficiency) of Revenues over Expenditures	\$ (1,664)
Fund Balance-Beginning of Year	<u>12,234</u>
Fund Balance-End of Year	<u>\$ 10,570</u>

The accompanying notes are an integral part of this statement.

Jackson Parish Sales Tax Collection Agency
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2015

Total Change in Fund Balance	\$(1,664)
Amounts reported for Governmental Activities in the Statement of Activities is different because:	
Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is	2,976
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the Statement of Revenues, Expenditures and Changes in Fund Balance	1,068
Depreciation expense on Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	(3,096)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance-	
Change in Pension Expense	621
Change in Accrued Compensated Absences	<u>2,241</u>
Total change in Net Position of Governmental Activities	<u>\$ 2,146</u>

The accompanying notes are an integral part of this statement.

Jackson Parish Sales Tax Collection Agency
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2015

	<u>Agency Fund</u>
ASSETS:	
Cash & Cash Equivalents	\$ <u>3,440,342</u>
Total Assets	\$ <u>3,440,342</u>
LIABILITIES:	
Unsettled Deposits – Due to Others	\$ <u>3,440,342</u>
Total Liabilities	\$ <u>3,440,342</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

1. Introduction:

As provided by Louisiana Statutes 33:2711(c), the Jackson Parish Sales Tax Collection Agency serves as the collector of sales and use taxes for the parish. The Agency is governed by a Board of Commissioners comprised of five members; two of the members are selected from the Jackson Parish School Board, one from the Jackson Parish Police Jury and one each from the municipalities of Jonesboro and Hodge, Louisiana, in accordance with a joint intergovernmental agreement among the agencies. The commissioners serve for indefinite terms at the pleasure of the taxing authority appointing them. The members of the Board serve without benefit of compensation. The Jackson Parish Sales Tax Collection Agency has two full-time positions; the Tax Administrator, appointed by the Board of Commissioners, and one employee who performs support functions.

2. Summary of Significant Accounting Policies:

The accompanying financial statements of the Jackson Parish Sales Tax Collection Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity-

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The Jackson Parish Sales Tax Collection Agency was created as a political subdivision under the provisions of Louisiana Revised Statutes. Members of the Board of Commissioners are appointed by taxing authorities imposing sales taxes within the parish and are solely accountable for fiscal matters, which include fiscal management for controlling the collection and disbursement of funds. Additionally, the Agency is the collector for all sales and use taxes within the parish. Based on the above, the Jackson Parish Sales Tax Collection Agency was determined to be a separate governmental reporting entity. The Jackson Parish Sales Tax Collection Agency includes all funds, activities, etc., that are within the primary responsibility of the Agency. Certain units of local government over which the Agency exercises no primary responsibility, such as the Jackson Parish Police Jury, School Board, Assessor, Clerk of Court, municipalities within the parish, and other independently elected officials are excluded from the accompanying financial statements. These local governments are neither controllable by nor answerable to the Jackson Parish Sales Tax Collection Agency. Further, their operations do not require the approval of the Agency nor is the Agency legally or morally responsible for their actions. They are considered separate reporting entities and issue financial statements separate from those of the Jackson Parish Sales Tax Collection Agency.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting-

The accounts of the Agency are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Agency maintains two funds. They are categorized as a governmental fund and fiduciary fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The funds of the Agency are described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

Fiduciary Fund-

Fiduciary Funds are used to account for assets held by the Agency in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the Agency, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Agency as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Agency considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts and savings accounts of the Agency.

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Agency maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
----------------------	---------

Compensated Absences-

Full-time Agency employees may earn from twelve to twenty-one days of annual leave and five days of sick leave per year depending on length of service. Upon resigning, employees may be paid for annual and sick leave up to twenty days each. Retiring employees are not paid for accrued annual leave in excess of twenty days, but are given credit toward retirement length of service. Retiring employees may elect to be paid for accrued sick leave up to twenty-five days.

Pensions-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees' Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

Deferred Outflows/Inflows of Resources-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows or financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

Equity Classifications-

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position---Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position---All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance---amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance---amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance---amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

- d. Assigned fund balance---amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance---amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$10,570. If applicable, the Agency would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

F. Budgetary Practices:

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

Budgetary data for the general fund is prepared based on prior year actual operating revenues and expenditures. The general fund is maintained on the modified accrual basis and therefore no reconciliations between legally enacted basis and GAAP basis is required.

The Agency's office performs only a custodial function in the case of fiduciary funds and therefore a budget for these funds is not appropriate.

G. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

H. Impact of Recently Issued Accounting Principles-

As of July 1, 2014, the Agency implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions – Amendment of GASB Statement 27*, which resulted in a cumulative change in accounting principle and also a restatement of net position. The net effect of the restatement was to reduce the net position of the Agency by \$1,061.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

3. Cash and Cash Equivalents:

The cash and cash equivalents of the Agency are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Agency will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Agency that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Agency's name.

At June 30, 2015, the Agency had cash and cash equivalents with a carrying balance totaling \$3,454,149 and bank balances totaling \$4,285,752. Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the Agency. All of the Agency's deposits were properly secured at June 30, 2015. Of the \$4,285,752 in bank balances, \$250,000 was secured by federal deposit insurance and \$4,035,752 was secured by pledged securities.

4. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2015, is as follows:

Governmental Activities	Balance 07-01-14	Additions	Deletions	Balance 06-30-15
Capital Assets:				
Furniture, computers	\$ 65,645	\$ 2,976	\$0	\$ 68,621
Less: Accumulated Depreciation:				
Furniture, computers	(53,817)	(3,096)	0	(56,913)
Net Capital Assets	<u>\$ 11,828</u>	<u>\$ (120)</u>	<u>\$0</u>	<u>\$ 11,708</u>

Depreciation expense of \$3,096 was charged to the general government function.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

5. Pension Plan:

Plan Description

The Agency contributes to PERS which is a cost-sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Sections 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.persla.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- At any age after 30 years of creditable service
- At age 55 after 25 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

Any member of Plan B can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Generally, the monthly amount of the retirement allowance of any member of Plan B shall consist of an amount equal to two percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for PERS. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in DROP in which they enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of PERS, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of the Plan must agree that the benefits payable to the participant are not the obligations of the state or PERS, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

For Plan B, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to two percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married no less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Cost-of-Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (LA R.S. 11:1937) . Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2014, the actuarially determined contribution rate was 13.07% of member's compensation for Plan A and 8.60% of member's compensation for Plan B. However, the actual rate for the fiscal year ending December 31, 2014 was 16.00% for Plan A and 9.25% for Plan B.

According to state statute, PERS also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. PERS also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

The Agency's contractually required composite contribution rate for the year ended June 30, 2015 was 16% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$11,901 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the Agency reported a liability of \$5,985 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the Agency's proportion was .014964%, which was an increase of .000027% from its proportion measured as of December 31, 2013.

For the year ended June 30, 2015, the Agency recognized pension expense of \$10,887 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$393.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

At June 30, 2015, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$1,364
Changes in assumption	0	0
Net difference between projected and actual earnings on pension plan investments	6,796	0
Changes in employer's proportion of beginning net pension liability	1	0
Differences between employer contributions and proportionate share of employer contributions	1,180	0
Total	\$7,977	\$1,364

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$1,638
2017	1,638
2018	1,638
2019	1,699
Total	\$6,613

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014 is as follows:

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years.
Investment Rate of Return	7.25% per annum.
Inflation Rate	2.3% per annum.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
	Experience study performed on plan data for the period January 1, 2004 through December 31, 2009.
Salary Increases	Plan A – 5.75% (2.75% Merit/3.00% Inflation) Plan B – 5.75% (2.75% Merit/3.00% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The discount rate used to measure the total pension liability was 7.25% for Plans A and B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	34%	1.30%
Equity	51%	3.55%
Alternatives	12%	0.77%
Real Assets	3%	0.19%
Total	100%	5.81%
Inflation		2.30%
Expected Arithmetic Nominal Return		8.11%

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Agency's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer's proportionate share of net pension liability	\$59,145	\$5,985	\$(42,556)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$4,650, which is the legally required contribution due at June 30, 2015. This amount is recorded in accrued expenses.

Jackson Parish Sales Tax Collection Agency
Notes to Financial Statements
June 30, 2015

6. Litigation:

Management has advised that the Agency is not involved in any legal action which would have a negative impact on the Agency. Any potential liability arising from the suits against the Agency would be a liability of the respective taxing bodies for which the Agency handles collections and not a liability of the Jackson Parish Sales Tax Collection Agency.

7. Changes in General Long-term Obligations – Compensated Absences:

The following is a summary of the changes in long-term obligations for accrued compensated absences for the year ended June 30, 2015:

Long-term obligations payable at June 30, 2014	\$ 9,571
Net Change	<u>(2,241)</u>
Long-term obligations payable at June 30, 2015	<u>\$ 7,330</u>

8. Post-Employment Benefits:

There are no post-employment benefits offered to employees. Therefore, no entry is made for GASB 45.

9. Risk Management:

The Agency is exposed to various risk of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Agency. Settled claims have not exceeded this commercial in any of the past three fiscal years.

10. Contingencies:

The Jackson Parish Sales Tax Collection Agency has received a request for a refund of sales and use tax for the calendar years 2007, 2008 and 2009. This request involves the assertion by EXCO Operating Company, LLP that sales and use tax were erroneously paid to the Agency. The Agency is currently reviewing their records concerning EXCO. Until this review is completed, the outcome of this request cannot be determined.

11. Subsequent Events:

Management has evaluated events through December 3, 2015, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

REQUIRED SUPPLEMENTARY
INFORMATION

Jackson Parish Sales Tax Collection Agency
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Charges for Services	\$169,491	\$168,487	\$164,062	\$ (4,425)
Miscellaneous- Other Income	780	16,750	17,890	1,140
Interest	<u>0</u>	<u>8</u>	<u>8</u>	<u>0</u>
Total Revenues	<u>\$170,271</u>	<u>\$185,245</u>	<u>\$181,960</u>	<u>\$ (3,285)</u>
EXPENDITURES:				
Accounting Fees	\$ 2,000	\$ 5,000	\$ 7,500	\$ (2,500)
Advertising	225	375	66	309
Annual Audit	5,200	5,250	5,250	0
Dues & Subscriptions	425	470	474	(4)
Capital Outlay	29,130	21,630	2,976	18,654
Insurance - Group	9,850	9,850	7,909	1,941
Insurance-Other	3,000	1,890	1,890	0
Insurance - Workman's Comp.	800	800	686	114
Legal Fees	500	17,750	12,440	5,310
Office Expense	5,500	8,500	7,755	745
Payroll Tax Expense	1,591	2,050	1,863	187
Postage	5,000	3,500	4,527	(1,027)
Programming Expense	3,000	2,500	29,342	(26,842)
Retirement Expense	13,750	13,750	11,901	1,849
Salary Expense	84,500	84,500	82,723	1,777
Seminars/Conventions	2,000	1,500	965	535
Supplies	0	430	430	0
Telephone	3,300	3,500	3,610	(110)
Travel	<u>500</u>	<u>2,000</u>	<u>1,317</u>	<u>683</u>
Total Expenditures	<u>\$170,271</u>	<u>\$185,245</u>	<u>\$183,624</u>	<u>\$ 1,621</u>
(Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$ (1,664)	\$ (1,664)
Fund Balance - Beginning of Year	<u>12,234</u>	<u>12,234</u>	<u>12,234</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 12,234</u>	<u>\$ 12,234</u>	<u>\$ 10,570</u>	<u>\$ (1,664)</u>

See independent auditor's report.

Jackson Parish Sales Tax Collection Agency
Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2015

	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	.0149643%
Employer's Proportionate Share of the Net Pension Liability (Asset)	5,985
Employer's Covered Employee Payroll	77,473
Employer's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Employee Payroll	8%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	99%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

Jackson Parish Sales Tax Collection Agency
Schedule of Employer Contributions
For the Year Ended June 30, 2015

	<u>2015</u>
Contractually Required Contributions	11,901
Contributions in Relation to Contractually Required Contribution	11,901
Contribution Deficiency (Excess)	0
Employer's Covered Employee Payroll	77,473
Contributions as a Percentage of Covered Employee Payroll	15%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Changes of Assumptions:

- There were no changes of benefit assumptions for the year ended June 30, 2015.

See independent auditor's report.

Jackson Parish Sales Tax Collection Agency
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2015

Agency Head Name: Debra Jackson, Tax Administrator

<u>Purpose</u>	<u>Amount</u>
Salary	\$56,500
Benefits-Insurance	1,176
Benefits-Retirement	9,040
Deferred Compensation	0
Benefits-Other	819
Car allowance	0
Vehicle provided by government	0
Cell phone	0
Dues	150
Vehicle rental	0
Per diem	0
Reimbursements	0
Travel	779
Registration fees	225
Conference travel	164
Housing	477
Unvouchered expenses	0
Special meals	150
Other	<u>0</u>
Total	<u>\$69,480</u>

See independent auditor's report.

SUPPLEMENTARY INFORMATION

Jackson Parish Sales Tax Collection Agency
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended June 30, 2015

	<u>Agency Fund</u>
ADDITIONS:	
Sales Tax Receipts	\$12,426,857
Interest Income	<u>4,372</u>
Total Additions	<u>\$12,431,229</u>
DEDUCTIONS:	
Jackson Parish Sales Tax Collection Agency	\$ 160,002
Jackson Parish Police Jury	2,272,961
Jackson Parish School Board	5,978,611
Town of Jonesboro	1,680,852
Village of Hodge	533,136
Village of North Hodge	14,499
Village of East Hodge	11,885
Town of Chatham	45,489
Town of Eros	13,108
Collection Fees	277,774
Refunds	68,926
Other Settlements	<u>273</u>
Total Deductions	<u>\$11,057,516</u>
Change in Liabilities	\$ 1,373,713
Liabilities-Beginning	<u>2,066,629</u>
Liabilities-Ending	<u>\$ 3,440,342</u>

See independent auditor's report.

OTHER REPORTS

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Jackson Parish Sales Tax Collection Agency
P. O. Box 666
Jonesboro, LA 71251

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, major fund and fiduciary fund as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Jackson Parish Sales Tax Collection Agency's (Agency) basic financial statements and have issued our report thereon dated December 3, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.


Johnson, Thomas & Cunningham, CPA's

December 3, 2015
Natchitoches, Louisiana

Jackson Parish Sales Tax Collection Agency
Schedule of Audit Findings
Year Ended June 30, 2015

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Jackson Parish Sales Tax Collection Agency as of and for the year ended June 30, 2015.
2. The audit did not disclose any significant deficiencies in internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

No findings identified.

III. PRIOR YEAR AUDIT FINDINGS

No findings identified.