

**SABINE PARISH POLICE JURY**  
**Many, Louisiana**

**ANNUAL FINANCIAL REPORT**

**December 31, 2017**

**SABINE PARISH POLICE JURY  
Many, Louisiana**

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**Sabine Parish Police Jury  
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**Independent Auditor's Report**



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## INDEPENDENT AUDITOR'S REPORT

To the Jury Members of the  
Sabine Parish Police Jury

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury (the Jury), Many, Louisiana, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Jury'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.

### Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data

for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported has not been determined.

### **Adverse Opinion on Aggregate Discretely Presented Component Units – The Reporting Entity**

In our opinion, because of the significance of the matter described in the “Basis for Adverse Opinion on Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Sabine Parish Police Jury, the reporting entity, as of December 31, 2017, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Unmodified Opinions – The Primary Government**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury, the primary government, as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information Part I*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, listed as required supplementary information part I, 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.

#### *Required Supplementary Part II and Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Sabine Parish Police Jury's primary government. The required supplementary information – part II, as listed in the table of contents, and the other supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The required supplementary information—part II and the other supplementary information, as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 required supplementary – part II and the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we have also issued our reports dated September 26, 2018, on our consideration of the Sabine Parish Police Jury'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, and compliance for each major program and on internal control over compliance. The purpose of these reports is to describe the scope of our testing of internal control over financial reporting and compliance, the results of that testing, and not to provide an opinion on internal control over financial reporting, compliance, compliance for each major program, or internal control over compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and the Uniform Guidance in considering the Sabine Parish Police Jury's internal control over financial reporting and compliance, and compliance for each major program and on internal control over compliance.

*Dees Gardner, Certified Public Accountants, LLC*

Dees Gardner, Certified Public Accountants, LLC

September 26, 2018  
Mansfield, Louisiana

**Required Supplementary Information – Part I**  
**Management’s Discussion and Analysis**

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### Management's Discussion and Analysis

This section of the Sabine Parish Police Jury's annual financial report offers readers a narrative overview and analysis of the financial performance of the Sabine Parish Police Jury (Police Jury) for the fiscal year ended on December 31, 2017. The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their No. 34 Basic Financial Statements – and Management's Discussion and Analysis- for State and Local Governments issued June 1999. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Police Jury's financial statements, which follow this section.

### Financial Highlights

Key financial highlights for the 2017 fiscal year include the following:

- The Police Jury's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,499,411 (net position). Of this amount, \$14,826,393 (unrestricted net position) may be used to meet the Police Jury's ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The total net position of the Police Jury increased by \$2,797,925 during the year ended December 31, 2017.
- The Police Jury's cash and cash equivalents increased by \$1,855,859 during the current year. Revenue receivables and amounts due from other governments decreased \$750,793.
- Net capital assets increased \$1,998,830 during the current year primarily due to the acquisition of four bridges through the Federal Off-System Bridge Rehabilitation and Replacement Program.

- The Police Jury’s total long-term liabilities increased by \$399,201 (16.87%) during the fiscal year, primarily because of a \$499,695 increase in the liability for other post-employment benefits.
- As of the close of the fiscal year, the Police Jury’s governmental funds reported a combined ending fund balance of \$16,573,468 an increase of \$1,260,002 (8.22%) in comparison with the prior fiscal year. Of this amount, \$7,883,375 was unassigned and available for spending within the Police Jury’s designation and fiscal policies.
- At the end of the fiscal year, unassigned fund balance of the General Fund was \$7,883,375 or 187.91% of total General Fund expenditures for 2017.

### **Overview of the Financial Statements**

This Management’s Discussion and Analysis (MD&A) is intended to serve as an introduction to the Police Jury’s basic financial statements. The Police Jury’s financial statements are comprised of three components: (1) government-wide financial statements, (2) financial statements of individual funds, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements** – The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury’s finances in a manner similar to a private-sector business.

The Statement of Net Position presents all the Police Jury’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position represents the difference between all elements in a statement of financial position and is displayed in three components: net investment in capital assets, restricted, and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The Statement of Activities presents information showing how the Police Jury’s net position changed during the fiscal 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. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, compensated absences).

The Statement of Net Position and the Statement of Activities distinguish functions of the Police Jury that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Police Jury’s governmental activities include general government, public safety, roads,

sanitation, culture and recreation, health and welfare, and economic development. The Police Jury did not report any business-type activities for the current fiscal year. The government-wide financial statements can be found on pages 20 and 21 of this report.

**Fund Financial Statements** – 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 Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Police Jury are categorized as governmental funds.

*Governmental Funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Police Jury’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Police Jury’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Police Jury maintains 19 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Transportation Fund, Sales Tax Fund, Road District 9 Fund, Road District 16 Fund, Health Unit Fund, and the WIA Fund, all of which are considered to be major funds. Data for the other 12 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 23 through 27.

The Police Jury adopts an annual appropriated budget for the General Fund and the special revenue funds. Budgetary comparison schedules for the General Fund and the special revenue funds considered to be major funds have been provided to demonstrate compliance with these budgets.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 63.

**Other Information** – In addition to the basic financial statements and the accompanying notes, this report also presents certain supplementary information that is required to be reported including budgetary comparison schedules for major governmental funds, a schedule of employer’s share of net pension liability, and a schedule of employer’s pension contributions.

The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information.

### **Financial Analysis of Government-Wide Activities**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Police Jury, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30,499,411 as of December 31, 2017, which is an increase of \$2,797,927 from December 31, 2016.

Net position totaling \$14,826,393(48.61%) is unrestricted and may be used to meet the Police Jury’s ongoing obligations to citizens and creditors.

Of the ending net position, \$15,673,018 (51.39%) represents the Police Jury’s investment in capital assets (e.g., land, streets, rights-of-way, bridges, buildings, machinery, equipment, and furniture and fixtures) less any related debt used to acquire those assets that is still outstanding. The Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Police Jury’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position**  
**December 31, 2017 and 2016**

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
Current and other assets	\$ 17,728,608	\$ 16,610,477
Capital assets, net	15,747,695	13,748,865
Total assets	<u>33,476,303</u>	<u>30,359,342</u>
Deferred outflows of resources	<u>688,148</u>	<u>961,567</u>
Current and other liabilities	795,465	1,131,642
Long-term liabilities	2,765,778	2,366,577
Total liabilities	<u>3,561,243</u>	<u>3,498,219</u>
Deferred inflows of resources	<u>103,797</u>	<u>121,204</u>
Net position:		
Net investment in capital assets	15,673,018	13,748,865
Unrestricted	14,826,393	13,952,621
Total net position	<u>\$ 30,499,411</u>	<u>\$ 27,701,486</u>

The Police Jury's net position increased by \$ 2,797,927 during the fiscal year ended December 31, 2017. The following table provides a summary of the Police Jury's operations for the years ended December 31, 2017 and December 31, 2016.

**Changes in Net Position**  
**Years Ended December 31, 2017 and 2016**

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
	<hr/>	<hr/>
Program Revenues:		
Charges for services	\$ 469,654	\$ 493,582
Operating grants and contributions	3,143,039	3,396,467
Capital grants and contributions	2,170,750	193,593
General Revenues:		
Ad valorem taxes	3,400,898	3,437,596
Sales taxes	3,560,115	3,307,398
Severance taxes	1,277,828	1,346,933
State public works grants	124,558	163,957
State fire rebate	132,557	125,071
State revenue sharing	114,145	110,916
Investment earnings	78,005	35,760
Other general revenues	120,572	78,766
	<hr/>	<hr/>
Total Revenues	14,592,121	12,690,039
	<hr/>	<hr/>
Expenses:		
General government	2,294,087	2,019,395
Public safety	496,656	500,979
Roads	5,960,390	5,191,420
Sanitation	763,642	800,941
Culture and recreation	-	23
Health and welfare	191,401	176,118
Economic development	2,088,018	2,633,658
Interest on long-term debt	-	928
	<hr/>	<hr/>
Total Expenses	11,794,194	11,323,462
	<hr/>	<hr/>
Increase in net assets	2,797,927	1,366,577
Net position, beginning of year	27,701,486	26,334,909
	<hr/>	<hr/>
Net position, end of year	<u>\$ 30,499,413</u>	<u>\$ 27,701,486</u>

Program revenues totaled \$5,783,443 in 2017, 39.63% of total revenues. \$2,031,577 was provided through economic development grants reported in the Workforce Investment Act (WIA) Fund. \$549,907 of disaster recovery funds received from FEMA was recognized as revenue during the year ended December 31, 2017. The Louisiana Department of Transportation and Development contributed four bridges with construction costs totaling \$2,170,750 to the Police Jury through the Federal Off-System Bridge Rehabilitation and Replacement Program. Charges for services resulted in revenues totaling \$469,654.

General revenues, totaling \$8,808,678, comprise the largest portion of revenues received by the Police Jury (60.37%) during 2017. Ad valorem taxes of \$3,400,898 represent 23.31% of the total revenues received by the Police Jury during 2017 while sales taxes of \$3,560,115 represent 24.40% of that total. Severance taxes of \$1,277,828 accounted for 8.76% of the total revenue for 2017.

The Police Jury expended \$11,794,194 during 2017. The largest expenses were for:

- Roads - \$5,960,389 – 50.54%
- General Government - \$2,294,088 – 19.45%
- Economic Development - \$2,088,018 – 17.70%
- Sanitation - \$763,642 – 6.47%
- Public Safety - \$496,656 – 4.21%

\$2,031,577 was expended for economic development through the Workforce Investment Act Program which passes through the Sabine Parish Police Jury. The Coordinating and Development Corporation is the administrative entity for this program with the funds being disbursed within the ten parishes comprising the Seventh Planning District.

## **Financial Analysis of the Sabine Parish Police Jury's Funds**

### **Governmental Funds**

As noted earlier, the Police Jury uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The focus of the Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Police Jury's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Police Jury's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Sabine Parish Police Jury's governmental funds reported a combined ending fund balance of \$16,573,468, an increase of \$1,260,002 (8.23%) in comparison with the prior fiscal year. Of the fund balance total, \$7,883,375 (47.57%) was

unassigned; \$5,037,084 (30.39%) was restricted for roads; \$2,041,591 (12.32%) was restricted for health and welfare; and \$1,566,456 (9.45%) was restricted for sanitation.

The Witness Fees Fund had a deficit fund balance of \$59,289 at December 31, 2017.

The General Fund is the chief operating fund of the Police Jury. At the end of the current fiscal year it had a fund balance of \$7,883,375, an increase of \$466,752 compared to the prior year. The fund balance of the General Fund is unassigned and is available for spending at the Police Jury's discretion.

### **General Fund Budgetary Highlights**

The budget policy of the Sabine Parish Police Jury complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original 2017 budget for the General Fund of the Sabine Parish Police Jury was adopted on December 21, 2016. During the year, the Jury revised the General Fund budget to reflect changes in revenues and/or expenditures.

During the year ended December 31, 2017, actual revenues exceeded budgeted revenues by \$40,377 and actual expenditures were \$524,780 less than the budgeted amounts.

Significant variances between budget and actual amounts are as follows:

#### *Revenues:*

- Severance tax revenues were \$112,828 more than budgeted.
- State capital outlay grants were \$118,185 less than budgeted.

#### *Expenditures:*

- Court cost expense was \$169,576 less than budgeted.
- Maintenance of building and grounds was \$75,208 less than budgeted.
- Water study engineering fees were \$66,051 less than budgeted.
- Jail expenses were \$64,685 less than budgeted.
- Transfers to other funds were \$61,000 less than budgeted.

### **Capital Assets and Debt Administration**

*Capital assets:* The Police Jury's investment in capital assets as of December 31, 2017 was \$15,747,695 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, furniture and fixtures, and infrastructure. The table below shows the value at the end of the fiscal year.

**Capital Assets**  
**December 31, 2017 and 2016**  
**(Net of Depreciation)**

	<u>2017</u>	<u>2016</u>
Land	\$ 688,926	\$ 688,926
Buildings and improvements	2,250,562	2,326,046
Machinery and equipment	2,948,738	2,865,074
Furniture and fixtures	6,229	7,996
Infrastructure	9,853,240	7,860,823
Total net assets	<u>\$ 15,747,695</u>	<u>\$ 13,748,865</u>

Major additions to capital assets during the fiscal year included the following:

- Bridge - Arnold Creek- Lake Side Loop - \$887,403
- Bridge – Edmondson Creek- Pioneer Road - \$420,117
- Bridge – Unnamed Creek – Shuteye Road - \$411,425
- Bridge – Bayou Dupont – Marthaville Road - \$ 451,804
- 2016 Kenworth T880 Truck - \$97,312
- 2018 Talbert Low-boy Trailer - \$47,144
- John Deere 344K Cab Loader \_ \$110,631
- Kubota Excavator - \$49,049
- 2017 Ram 1500 4X4 Pickup - \$23,964
- 2017 Ram 2500 Truck - \$24,012
- 2- 2017 Kubota Tractors - \$50,244

*Debt Administration:* At the end of the fiscal year, the Police Jury had outstanding long-term debt of \$2,765,778. Of this amount, \$74,677 is comprised of capital lease agreements, \$217,478 in compensated absences, and \$2,473,623 relating to the recognition of the estimated liabilities for other post-employment benefits and net pension liabilities.

**Economic Factors and Next Year’s Budgets and Rates**

The following economic factors were considered when the budget for fiscal year 2018 was presented to the Police Jury:

- Ad valorem tax revenue is expected to increase.
- Sales tax revenue is expected to increase.
- Severance tax revenue is expected to decrease.
- Other revenues are expected to be consistent with the prior year.
- Salaries are expected to increase due to salary increases due to employees
- Employee health insurance costs are expected to decrease 20%.

- Office expenses paid for the District Attorney are expected to increase.
- Capital outlay expenses are expected to increase.
- Road maintenance costs are expected to increase due to overlaying projects.
- Other expenditures are expected to be consistent with the prior year.

### **Requests for Information**

This financial report is designed to provide our citizens, customers, investors and creditors a general overview of the Police Jury's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Secretary Treasurer, Sabine Parish Police Jury, 400 South Capitol Street, Room 101, Many, Louisiana, 71449.

## **Basic Financial Statements**

**Government-Wide Financial Statements**

**Sabine Parish Police Jury  
Many, Louisiana**

**Statement of Net Position  
December 31, 2017**

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 13,528,405
Revenue receivables	4,132,594
Prepaid expenses	13,065
Due from other governments	54,544
Capital assets (net)	15,747,695
<b>Total Assets</b>	<b>\$ 33,476,303</b>
<b>Deferred Outflows of Resources</b>	<b>\$ 688,148</b>
<b>Liabilities</b>	
Accounts payable	\$ 514,103
Master bank overdrafts	59,785
Unearned federal disaster revenue	221,577
Long-term liabilities, due within one year:	
Capital leases	36,686
Due in more than one year:	
Capital leases	37,991
Compensated absences	217,478
Other postemployment benefit obligation	1,949,701
Net pension liability	523,922
<b>Total Liabilities</b>	<b>\$ 3,561,243</b>
<b>Deferred Inflows of Resources</b>	<b>\$ 103,797</b>
<b>Net Position</b>	
Net investment in capital assets	\$ 15,673,018
Unrestricted	14,826,393
<b>Total Net Position</b>	<b>\$ 30,499,411</b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Statement of Activities  
For the Year Ended December 31, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for	Operating Grants	Capital Grants &	Primary Government
		Services	and Contributions	Contributions	Governmental Activities
<b>Primary Government:</b>					
<b>Governmental Activities</b>					
General government:					
Legislative	\$ 275,769	\$ -	\$ -	\$ -	\$ (275,769)
Judicial	642,459	228,712	-	-	(413,747)
Elections	84,227	-	-	-	(84,227)
Finance and administration	647,879	-	153,447	-	(494,432)
Other	643,754	10,243	-	-	(633,511)
Public safety	496,656	116,774	71,483	-	(308,399)
Roads and bridges	5,960,389	-	886,532	2,170,750	(2,903,107)
Sanitation	763,642	113,925	-	-	(649,717)
Culture and recreation	-	-	-	-	-
Health and welfare	191,401	-	-	-	(191,401)
Economic development	2,088,018	-	2,031,577	-	(56,441)
Total Governmental Activities	\$ 11,794,194	\$ 469,654	\$ 3,143,039	\$ 2,170,750	(6,010,751)
General Revenues:					
Ad valorem taxes					3,400,898
Sales taxes					3,560,115
Severance taxes					1,277,828
Excise taxes					12,849
State public works grants					124,558
State fire rebate					132,557
Investment earnings					78,005
State revenue sharing					114,145
Gain on disposal of assets					31,868
Rents and royalties					8,208
Other miscellaneous					67,647
Total General Revenues and Transfers					8,808,678
Changes in Net Position					2,797,927
Net Position - Beginning					27,701,484
Net Position - Ending					\$ 30,499,411

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

## **Fund Financial Statements**

**Sabine Parish Police Jury  
Many, Louisiana**

**Balance Sheet -Governmental Funds  
December 31, 2017**

	Major Funds						Other Governmental Funds	Total Governmental Funds	
	General Fund	Transportation Fund	Sales Tax Fund	Road District 9	Road District 16	Health Unit			WIA Fund
<b>Assets</b>									
Cash	\$ 6,643,021	\$ 516,039	\$ 1,158,853	\$ 455,695	\$ 241,737	\$ 1,885,541	\$ -	\$ 2,627,519	13,528,405
Revenue receivables	1,187,531	8,513	430,331	194,010	94,618	181,196	-	2,036,395	4,132,594
Prepaid expenses	13,065	-	-	-	-	-	-	-	13,065
Due from other governments	4,704	27,562	22,278	-	-	-	-	-	54,544
Due from other funds	250,000	-	-	-	-	-	-	-	250,000
<b>Total Assets</b>	<b>\$ 8,098,321</b>	<b>\$ 552,114</b>	<b>\$ 1,611,462</b>	<b>\$ 649,705</b>	<b>\$ 336,355</b>	<b>\$ 2,066,737</b>	<b>\$ -</b>	<b>\$ 4,663,914</b>	<b>17,978,608</b>
<b>Liabilities</b>									
Accounts payable	\$ 129,212	\$ 47,322	\$ 45,006	\$ 102,254	\$ 22,768	\$ 6,492	\$ -	\$ 161,049	\$ 514,103
Due to other funds	-	-	-	-	-	-	-	250,000	250,000
Master bank overdrafts	-	-	-	-	-	-	-	59,785	59,785
<b>Total Liabilities</b>	<b>\$ 129,212</b>	<b>\$ 47,322</b>	<b>\$ 45,006</b>	<b>\$ 102,254</b>	<b>\$ 22,768</b>	<b>\$ 6,492</b>	<b>\$ -</b>	<b>\$ 470,834</b>	<b>\$ 823,888</b>
<b>Deferred Inflows of Resources</b>									
Unearned federal grants	\$ -	\$ -	\$ -	\$ 39,404	\$ 182,173	\$ -	\$ -	\$ -	\$ 221,577
Unavailable property taxes	85,734	-	-	26,783	9,657	18,654	-	218,847	359,675
<b>Total Deferred Inflows of Resources</b>	<b>\$ 85,734</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 66,187</b>	<b>\$ 191,830</b>	<b>\$ 18,654</b>	<b>\$ -</b>	<b>\$ 218,847</b>	<b>\$ 581,252</b>
<b>Fund Balances</b>									
Restricted for:									
Judicial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,946	\$ 4,946
Roads	-	504,792	-	481,264	121,757	-	-	3,929,271	5,037,084
Sanitation	-	-	1,566,456	-	-	-	-	-	1,566,456
Health and welfare	-	-	-	-	-	2,041,591	-	-	2,041,591
Witness and juror fees	-	-	-	-	-	-	-	(47,873)	(47,873)
Economic development	-	-	-	-	-	-	-	87,889	87,889
Unassigned	7,883,375	-	-	-	-	-	-	-	7,883,375
<b>Total Fund Balances</b>	<b>\$ 7,883,375</b>	<b>\$ 504,792</b>	<b>\$ 1,566,456</b>	<b>\$ 481,264</b>	<b>\$ 121,757</b>	<b>\$ 2,041,591</b>	<b>\$ -</b>	<b>\$ 3,974,233</b>	<b>\$ 16,573,468</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 8,098,321</b>	<b>\$ 552,114</b>	<b>\$ 1,611,462</b>	<b>\$ 649,705</b>	<b>\$ 336,355</b>	<b>\$ 2,066,737</b>	<b>\$ -</b>	<b>\$ 4,663,914</b>	<b>\$ 17,978,608</b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
December 31, 2017**

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<b>Total Fund Balance, Governmental Funds</b>	<b>\$</b>	<b>16,573,468</b>
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in this fund financial statement but are reported in the governmental activities of the Statement of Net Position

Cost of capital assets		82,351,883
Less - accumulated depreciation		(66,604,188)

Deferred Outflows of Resources used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet

688,148

Property taxes will be collected but are not available soon enough to pay for the current year expenditures and, therefore, the underlying revenues are not currently recognized in the governmental funds.

359,675

Long-term liabilities are not due and payable in the current period and are not included in the fund financial statements but are included in the governmental activities of the Statement of Net Position

Capital leases		(74,677)
Compensated absences		(217,478)
Other post employment benefit obligation		(1,949,701)
Net pension liability		(523,922)

Deferred Inflows of Resources are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet

(103,797)

**Net Position of Governmental Activities in the Statement of Net Position**

**\$ 30,499,411**

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017**

	Major Funds						Other	Total	
	General Fund	Transportation Fund	Sales Tax Fund	Road District 9	Road District 16	Health Unit	WIA Fund	Governmental Funds	Governmental Funds
<b>REVENUES</b>									
Taxes:									
Ad valorem	\$ 793,739	\$ -	\$ -	\$ 215,147	\$ 108,378	\$ 172,698	\$ -	\$ 1,916,628	\$ 3,206,590
Sales and use	-	-	3,560,115	-	-	-	-	-	3,560,115
Licenses and permits	127,016	-	-	-	-	-	-	-	127,016
Intergovernmental revenues:									
Federal grants	-	-	-	288,989	101,461	-	2,031,577	159,456	2,581,483
State funds:									
Parish transportation funds	-	336,626	-	-	-	-	-	-	336,626
Grants	184,218	-	-	-	-	-	-	-	184,218
State revenue sharing	29,715	-	-	9,736	5,803	6,464	-	62,427	114,145
Fire insurance rebate	132,557	-	-	-	-	-	-	-	132,557
Severance taxes	1,277,828	-	-	-	-	-	-	-	1,277,828
Other state funds	24,672	-	-	-	-	-	-	-	24,672
Fees, charges, and commissions	-	-	113,925	-	-	-	-	-	113,925
Fines and forfeitures	322	-	-	-	-	-	-	228,390	228,712
Investment earnings	34,881	2,874	7,853	3,087	1,636	9,549	-	18,125	78,005
Rents and royalties	8,208	-	-	-	-	-	-	-	8,208
Contributions	2,170,750	-	-	-	-	-	-	-	2,170,750
Reimbursements	-	-	153,447	-	-	-	-	-	153,447
Other revenues	25,629	8,513	1,800	1,154	-	6,013	-	1,254	44,363
Total Revenues	\$ 4,809,535	\$ 348,013	\$ 3,837,140	\$ 518,113	\$ 217,278	\$ 194,724	\$ 2,031,577	\$ 2,386,280	\$ 14,342,660

(Continued)

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017**

	Major Funds						WIA Fund	Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Sales Tax Fund	Road District 9	Road District 16	Health Unit			
<b>EXPENDITURES</b>									
<b>Current:</b>									
General government:									
Legislative	\$ 215,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,773
Judicial	310,154	-	-	-	-	-	-	283,201	593,355
Elections	61,496	-	-	-	-	-	-	-	61,496
Finance and administrative	331,421	-	227,729	-	-	-	-	-	559,150
Other	543,557	-	-	7,970	3,970	6,492	-	72,587	634,576
Public safety	458,399	-	-	-	-	-	-	-	458,399
Roads	-	2,618,232	-	389,356	221,346	-	-	1,832,501	5,061,435
Sanitation	-	-	745,119	-	-	-	-	-	745,119
Health and welfare	19,667	-	-	-	-	156,818	-	-	176,485
Economic development	56,441	-	-	-	-	-	2,031,577	-	2,088,018
<b>Capital outlay</b>	<b>2,198,436</b>	<b>172,501</b>	<b>27,313</b>	<b>25,036</b>	<b>25,036</b>	<b>-</b>	<b>-</b>	<b>186,220</b>	<b>2,634,542</b>
<b>Debt service:</b>									
Principal retirement	-	-	-	-	-	-	-	39,342	39,342
Interest and other charges	-	-	-	-	-	-	-	-	-
Total Expenditures	4,195,344	2,790,733	1,000,161	422,362	250,352	163,310	2,031,577	2,413,851	13,267,690
Excess (Deficiency) of Revenues over (Under) Expenditures	614,191	(2,442,720)	2,836,979	95,751	(33,074)	31,414	-	(27,571)	1,074,970
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of assets	2,561	30,893	2,318	8,685	8,685	-	-	17,871	71,013
Transfers in	-	2,340,000	-	13,753	11,967	-	-	227,160	2,592,880
Transfers out	(150,000)	(102,880)	(2,340,000)	-	-	-	-	-	(2,592,880)
Proceeds from issuance of debt	-	-	-	-	-	-	-	114,019	114,019
Total Other Financing Sources (Uses)	(147,439)	2,268,013	(2,337,682)	22,438	20,652	-	-	359,050	185,032
Net Change in Fund Balance	466,752	(174,707)	499,297	118,189	(12,422)	31,414	-	331,479	1,260,002
Fund Balances -Beginning	7,416,623	679,499	1,067,159	363,075	134,179	2,010,177	-	3,642,754	15,313,466
Fund Balances - Ending	\$ 7,883,375	\$ 504,792	\$ 1,566,456	\$ 481,264	\$ 121,757	\$ 2,041,591	\$ -	\$ 3,974,233	\$ 16,573,468

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended December 31, 2017**

<b>Net Change in Fund Balances - Governmental Funds</b>	<b>\$ 1,260,002</b>
Amounts reported for governmental activities in the Statement of Activities are 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	2,634,542
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	(596,568)
Total proceeds from the sale of capital assets is reported in governmental funds, whereas the gains and losses are reported in the statement of activities.	(39,142)
Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These timing differences are summarized below:	
Unavailable property taxes	194,306
Non-employer pension revenue	23,284
Pension expense	(105,981)
Capital lease payments	39,342
Proceeds from the issuance of debt	(114,019)
Net OPEB obligation	(499,695)
Accrued compensated absences	1,856
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 2,797,927</b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Notes to the Financial Statements**

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**

December 31, 2017

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**Introduction**

The Sabine Parish Police Jury (hereinafter referred to as "Police Jury") is the governing authority for Sabine Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine compensated jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January, 2020.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, to regulate the construction and maintenance of roads and bridges, to regulate the construction and maintenance of drainage systems, to regulate the sale of alcoholic beverages, and to provide for the health and welfare of the poor, disadvantaged, and unemployed of the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales and use taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. These districts perform specialized functions, such as fire protection, water, ambulance, communications (E911) or library services.

**1. Summary of Significant Accounting Policies**

The Sabine Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999. The more significant accounting policies established in GAAP and used by the Sabine Parish Police Jury are discussed below.

**A. Reporting Entity**

As the governing authority of the parish, for reporting purposes, the Sabine Parish Police Jury is the financial reporting entity for Sabine Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the Police Jury is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the Police Jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

**1. Summary of Significant Accounting Policies (continued)**

**A. Reporting Entity (continued)**

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity:

<u>Component Units</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Not included with the reporting entity:		
Sabine Parish Ambulance Service District	December 31	1 and 3
Sabine Parish Assessor	December 31	2
Sabine Parish Clerk of Court	June 30	2
Sabine Parish Communications District	June 30	1 and 3
Sabine Parish Fire Protection District North	December 31	1
Sabine Parish Library	December 31	1 and 3
Sabine Parish Waterworks District Ebarb	December 31	1
Sabine Parish Waterworks District South Toledo Bend	September 30	1
Sabine Parish Waterworks District No. 1	September 30	1

The Police Jury has chosen to issue financial statements of the primary government (Police Jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements. Separate financial statements of the individual component units may be obtained by contacting the component unit.

The financial statements do not include financial data for the Police Jury's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Sabine Parish Police Jury's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Sabine Parish Police Jury and the changes in financial position in conformity with accounting principles generally accepted in the United States of America, but rather are intended to reflect only the financial statements of the primary government (Police Jury).

**B. Basis of Presentation**

The Police Jury's primary Government Basic Financial Statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The primary Government Basic Financial Statements consist of Government-wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information. Both the Government-wide and the Fund Financial Statements categorize activities as either governmental activities or business-type activities.

The Police Jury used funds to maintain its financial records during the year. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**C. Fund Accounting**

The Police Jury uses governmental funds to account for all or most of the Police Jury's general activities, including the collection and disbursement of specifically or legally restricted monies (special revenue funds). These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations.

The following are the Police Jury's governmental funds:

General Fund – The General Fund is the primary operating fund of the Sabine Parish Police Jury. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue resources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes.

Debt Service Funds – The debt service fund accounts for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group. The Police Jury did not utilize these funds during this year end.

Capital Projects Funds – The capital projects funds account for financial resources received and used for the acquisition, construction or improvement of capital facilities not reported in the other governmental funds. The Police Jury did not utilize these funds during this year end.

**D. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, and transfers—and assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities report information on all the financial activities of the Police Jury. Individual funds are not displayed, but the statements distinguish governmental activities, which are normally supported by taxes and intergovernmental revenues, from business-type activities, which rely to a significant extent on fees and charges for support. The effect of most interfund activity is eliminated from these financial statements.

Information contained in these statements reflects the "economic resources" measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50 of GASB Statement No. 33, as amended by Statement No. 36.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus and Basis of Accounting (continued)**

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment of Police Jury activities is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. The Police Jury does not allocate indirect expenses to functions in the Statement of Activities.

Program revenues included in the Statement of Activities are (1) derived directly from charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, (2) operating grants and contributions, and (3) capital grants and contributions. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales taxes, severance taxes, excise taxes, state revenue sharing, rents and royalties, interest, and other unrestricted revenues. Program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

**Fund Financial Statements**

The fund financial statements report financial information by major and nonmajor funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. Nonmajor funds are aggregated and presented in a single column.

A fund is considered major if it is the primary operating fund of the Police Jury or if it meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least ten percent (10%) of the corresponding total for all funds of that category or type.
- b. The Police Jury's management believes that the fund is particularly important to the financial statement users.

The Police Jury's major funds are described as follows:

**General Fund** – The General fund is the primary operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

**Transportation Fund** – The transportation fund is a special revenue fund used to account for the collection of the state "parish transportation" funds. This fund also receives sales taxes from the sales tax fund. Expenditures from this fund include all road salaries and benefits, insurance, equipment maintenance and repairs, fuel, and utilities.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus and Basis of Accounting (continued)**

Sales Tax Fund – The sales tax fund is a special revenue fund used to account for the collection of the one percent sales and use tax. The fund also reports the operations of the solid waste landfill. The sales tax revenue is also transferred to the transportation fund for the maintenance of roads and bridges in accordance with the tax proposition.

Road District Funds No 9 and 16. -- These two funds are special revenue funds used to account for the operations and maintenance of the road district's highways, streets, and bridges. Financing is primarily provided by ad valorem taxes and state revenue sharing funds.

Health Unit Fund –This fund accounts for the operations of the Health Unit. Financing is provided by ad valorem taxes, state revenue sharing and interest earnings.

Workforce Investment Act Fund (WIA) – The Workforce Investment Act (WIA) is a special revenue fund used to account for grants from the United States Department of Labor passed through the Louisiana Department of Labor. Grants are subsequently transferred to the Coordinating and Development Corporation, which administers the program under contract with the Police Jury. The WIA program provides job training and related assistance to economically disadvantaged individuals. The ultimate goal of the program is to move trainees into permanent, self-sustaining employment.

All other governmental funds are considered non-major funds.

**Governmental Fund Financial Statements** -- The amounts reflected in the Governmental Fund Financial Statements are accounted for using the “current financial resources” measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. When the “current financial resources” measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Furthermore, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other financing source and repayment of long-term debt is reported as an expenditure. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Police Jury's operations.

The amounts reflected in the Governmental Fund Financial Statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become 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 Police Jury considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred; however, principle and interest on general obligation long-term debt is recognized when due.

The governmental funds use the following practices in recording revenues and expenditures:

Federal and state entitlements (which include state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Revenue from federal and state grants is recognized when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted; matching requirements, in which the Parish must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Police Jury on a reimbursement basis.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus and Basis of Accounting (continued)**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Sales tax revenues are recorded in the period in which the underlying exchange has occurred.

Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Sabine Parish Sheriff.

Royalties are recognized in the period the underlying exchange transaction occurs.

Interest earnings on deposits with financial institutions are recorded when credited to the Police Jury.

Those revenues susceptible to accrual are sales taxes, property taxes, franchise taxes, grants, oil and gas royalties, interest revenue and charges for services. Substantially all other revenues, including rents, fines, permits, and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Salaries and related benefits are recorded when employee services are provided.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Substantially all other expenditures are recognized as expenditures when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sales of assets, proceeds from the sale of bonds, capitalized leases, compensation for loss of assets, and the proceeds from accrued interest on the sale of bonds are accounted for as other financing sources (uses) in the Statement of Revenues, Expenditures, and Changes in Fund Balances. These other financing sources (uses) are recognized at the time the underlying events occur.

**E. Cash**

Cash and cash equivalents include cash on hand, amounts in demand deposits, interest bearing demand deposits, time deposits (certificates of deposit), and short-term, highly liquid investments with original maturities of ninety (90) days or less when purchased. Under state law, the Police Jury may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Police Jury may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**F. Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables for the governmental activities include ad valorem taxes, sales and use taxes, severance taxes, fees for services, and federal grant revenues. Management believes all these receivables are collectible; therefore, no allowance is recorded for uncollectible amounts.

**G. Interfund Transactions**

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without the expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient and as an expenditure or expense by the provider. If repayment is expected, these receivables and payables are classified as "Due from other funds" or "Due to other funds".

Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers.

In preparing the government-wide financial statements, interfund receivables and payables are eliminated.

**H. Capital Assets**

Capital assets which include property, plant, equipment, historical treasures, and infrastructure assets (consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar items) are reported in the governmental activities in the government-wide financial statements. All capital assets, other than land, are depreciated using the straight-line method over their estimated useful lives, ranging from 5 to 50 years depending upon the expected durability of the particular asset. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of net position.

All purchased and constructed capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives or improve their efficiency or capacity are not capitalized.

Assets reported in the fund financial statements for governmental funds exclude capital assets. The governmental funds financial statements report the acquisition of capital assets as expenditures.

**I. Advances**

Advances arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Advances also arise when the Police Jury receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria have been met or the Police Jury has a legal claim to the resources, the liability for the advance is removed from the balance sheet and revenue is recognized.

**Sabine Parish Police Jury**  
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**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**J. Compensated Absences**

Vested or accumulated vacation leave or compensatory time earned that is expected to be liquidated with expendable available financial resources are reported as expenditures and a fund liability of the governmental fund that will pay it. Amounts of compensated absences not expected to be liquidated with expendable available financial resources are not reported in the fund financial statements. No accrued current expenditures are reported in the governmental funds, as the amounts are considered immaterial. The full liability and related costs are reported in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

Employees of the police jury earn 5 to 20 days of vacation leave each year depending on their length of service and 1 day of sick leave each month. Vacation leave accumulates without limitation and employees are paid for their accumulated vacation leave upon termination of employment. Sick leave may be accumulated to a maximum of 45 days; however, accumulated sick leave is forfeited upon termination of employment.

The registrar of voters and the chief deputy are employees of the State of Louisiana Department of Elections and Registration and are paid in part by the Sabine Parish Police Jury. Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation; however, upon separation of employment, classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours.

Employees of the Eleventh Judicial District Court earn 10 days of vacation leave and 45 days of sick leave each year, depending on their length of service. Vacation and sick leave do not accumulate and employees cannot be paid for unused leave upon termination of employment.

**K. Sales Taxes**

The Sabine Parish Police Jury levies a 1% sales and use tax approved by the voters effective August 1, 2014, for a period of ten years ending July 31, 2024. The tax, after all necessary costs for collection and administration, is to be used to establish, construct, acquire, improve, and operate a solid waste collection and disposal system for the parish, with the balance of the funds used to establish, maintain, and improve roads and bridges.

**L. Use of Estimates**

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

**M. Long-term obligations**

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. In the fund financial statements, governmental funds recognize principal debt payments and related interest expense in the current period as expenditures. Debt issued during the year is reported as other financing sources.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**

December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**N. Fund Equity**

Net Position

In the government-wide financial statements equity (the difference between assets and liabilities) is classified as net position and is reported 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 position with constraints placed on the use by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of 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 is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. 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.

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Police Jury is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. In the fund financial statement, governmental fund balance is presented in five possible categories:

- a. Nonspendable—resources which cannot be spent because they are either (a) not in spendable form (such as prepaid items); or (b) legally or contractually required to be maintained intact.
- b. Restricted—resources with constraints placed on the use of resources that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed—resources which are subject to limitations or constraints to specific purposes the government imposes upon itself at its highest level of decision making (the Jury). These amounts cannot be used for any other purpose unless government takes the same highest level action to remove or change the constraint.
- d. Assigned—resources neither restricted nor committed for which the Police Jury has a stated intended use as established by the Jury or a body or official (Parish Treasurer) to which the Police Jury has delegated the authority to assign amounts for specific purposes.
- e. Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Police Jury establishes (and modifies and rescinds) fund balance commitments and assignments by passage of an ordinance or resolution.

**Sabine Parish Police Jury**  
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**Notes to the Financial Statements**  
December 31, 2017

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**1. Summary of Significant Accounting Policies (continued)**

**N. Fund Equity (continued)**

The Police Jury 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.

**O. Risk Management**

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury carries commercial insurance for the risk of loss including automobile liability, general liability, property damage, workers compensation, errors and omissions, and surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**P. 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 positions of the District Attorney's Retirement System of Louisiana and the Registrar of Voters Employees' Retirement System and additional to/deductions from the Systems' fiduciary net positions have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**Q. Deferred Outflows/Inflows of Resources Related to Pensions**

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of 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.

**2. Ad Valorem Taxes**

The Police Jury levies taxes on real and business personal property located within the boundaries of Sabine Parish. Property taxes are levied by the Police Jury on property values assessed by the Sabine Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Sabine Parish Sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly. The Police Jury recognizes property tax revenues when levied.

The property tax calendar:

Assessment date	January 1, 2017
Levy date	June 30, 2017
Tax bills mailed	October 15, 2017
Total taxes are due	December 31, 2017
Penalties & interest added	January 31, 2018
Tax sale	May 16, 2018

A revaluation of all property is required to be completed not less than every four years. The last revaluation was completed for the roll of January 1, 2016.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

**2. Ad Valorem Taxes (continued)**

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2017:

	<u>Assessed value</u>	<u>Homestead exempt</u>	<u>Taxable</u>	<u>Maximum Millage</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Year</u>
General Fund	209,388,126	33,890,414	175,497,712	4.78	4.78	4.78	n/a
Road District 18	18,206,990	3,541,420	14,665,570	10.90	10.90	10.90	2018
Road District 19	11,707,078	1,919,080	9,787,998	15.51	15.51	15.51	2026
Road District 16	14,192,023	3,142,441	11,049,582	10.02	10.02	10.02	2018
Road District 9	26,976,541	5,207,672	21,768,869	10.25	10.25	10.25	2018
Road District 17	42,470,655	8,307,235	34,163,420	9.97	9.97	9.97	2018
Road District 15	23,562,277	5,681,880	17,880,397	13.02	13.02	13.02	2026
Road District 1	27,025,594	2,827,366	24,198,228	16.65	16.65	16.65	2026
Road District 4	21,986,155	1,361,729	20,624,426	13.87	13.87	13.87	2021
Road District 20	4,489,153	1,011,456	3,477,697	22.16	22.16	22.16	2018
Road District 11	16,283,332	885,895	15,397,437	25.64	25.64	25.64	2018
Health Unit	209,388,126	33,890,414	175,497,712	1.04	1.04	1.04	2021

**3. Cash**

At December 31, 2017, the Police Jury has cash and cash equivalents (book balances) totaling \$13,528,405 as follows:

Demand deposits	\$ 12,578,650
Money market deposits	949,655
Petty cash	100
	<u>\$ 13,528,405</u>

The Police Jury uses a master bank account for cash management purposes. At year-end certain individual funds have negative cash balances in the master bank. At December 31, 2017, the following funds report negative balances in the master bank account of:

Negative balances:	
Witness Fees Fund	<u>\$ 59,785</u>

The cash and investments of the Sabine Parish Police Jury are subject to the following risks:

**Custodial Credit Risk.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government 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 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.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

**3. Cash (continued)**

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 Police Jury that the fiscal agent bank has failed to pay deposit 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 Police Jury's name.

At year end, the Police Jury had collected bank balances of \$13,695,659, which were fully protected by \$500,000 of federal depository insurance and pledged securities with a market value of \$15,538,651 held by the custodial banks in the name of the Police Jury.

**4. Receivables**

The following is a summary of receivables, including due from other governments, at December 31, 2017:

	General Fund	Transportation Fund	Sales tax fund	Road District 9	Road District 16	Health Unit	Other Governmental Funds	Total
Ad valorem taxes	\$ 805,165	\$ -	\$ -	\$ 194,010	\$ 94,618	\$ 175,184	\$ 2,024,962	\$ 3,293,939
Sales and use taxes	-	-	430,331	-	-	-	-	430,331
Beer Tax	2,772	-	-	-	-	-	-	2,772
Severance tax	310,822	-	-	-	-	-	-	310,822
Homeland Security	8,031	-	-	-	-	-	-	8,031
State grants:								
Parish Transportation	-	27,562	-	-	-	-	-	27,562
Capital Outlay	33,976	-	-	-	-	-	-	33,976
Supplemental Pay	1,000	-	-	-	-	-	-	1,000
Fines and forfeitures	6,307	-	-	-	-	-	11,433	17,740
Rents and royalties	1,175	-	-	-	-	-	-	1,175
Other receivables	18,283	8,513	-	-	-	6,012	-	32,808
Other governments	4,704	-	22,278	-	-	-	-	26,982
	<u>\$ 1,192,235</u>	<u>\$ 36,075</u>	<u>\$ 452,609</u>	<u>\$ 194,010</u>	<u>\$ 94,618</u>	<u>\$ 181,196</u>	<u>\$ 2,036,395</u>	<u>\$ 4,187,138</u>

The receivables as reported on the government-wide balance sheet:

Revenue Receivables	\$ 4,132,594
Due from other governments	54,544
Total receivables	<u>\$ 4,187,138</u>

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

**5. Interfund Assets, Interfund Liabilities, and Operating Transfers**

In the ordinary course of business, the Police Jury routinely transfers resources between its funds. Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to spend them.

Transfer In	Transfer Out	Amount
Criminal Court	General Fund	\$ 150,000
Transportation fund	Sales tax fund	2,340,000
Road District 4	Transportation Fund	5,794
Road District 9	Transportation Fund	13,753
Road District 10	Transportation Fund	9,710
Road District 11	Transportation Fund	5,200
Road District 15	Transportation Fund	14,435
Road District 16	Transportation Fund	11,967
Road District 17	Transportation Fund	16,864
Road District 18	Transportation Fund	16,272
Road District 19	Transportation Fund	4,944
Road District 20	Transportation Fund	3,941
		<u>\$ 2,592,880</u>

**6. Capital Assets**

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Increases	Decreases/ reclassifications	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 688,926	\$ -	\$ -	\$ 688,926
Total assets not being depreciated	<u>688,926</u>	<u>-</u>	<u>-</u>	<u>688,926</u>
Capital assets being depreciated:				
Buildings and improvements	3,606,682	-	-	3,606,682
Machinery and equipment	7,050,265	463,792	(396,335)	7,117,722
Furniture and fixtures	43,497	-	(370)	43,127
Infrastructure:				
Roads	62,155,278	-	-	62,155,278
Bridges	5,518,596	2,170,750	(17,204)	7,672,142
Road right-of-ways	1,068,006	-	-	1,068,006
Total capital assets being depreciated	<u>79,442,324</u>	<u>2,634,542</u>	<u>(413,909)</u>	<u>81,662,957</u>
Less accumulated depreciation for:				
Buildings and improvements	1,280,636	75,484	-	1,356,120
Machinery and equipment	4,185,191	341,354	(357,561)	4,168,984
Furniture and fixtures	35,501	1,397	-	36,898
Infrastructure:				
Roads	58,867,018	83,937	-	58,950,955
Bridges	2,014,039	94,396	(17,204)	2,091,231
Total accumulated depreciation	<u>66,382,385</u>	<u>596,568</u>	<u>(374,765)</u>	<u>66,604,188</u>
Capital assets being depreciated, net	<u>13,059,939</u>			<u>15,058,769</u>
Governmental activities capital assets, net	<u>\$ 13,748,865</u>			<u>\$ 15,747,695</u>

**Sabine Parish Police Jury**  
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**Notes to the Financial Statements**  
December 31, 2017

**6. Capital Assets (continued)**

Depreciation expense of \$596,568 for the year ended December 31, 2017, was charged to the following governmental functions:

Judicial	\$	45,826
Elections		620
Finance and administration		6,877
Other governmental		6,592
Public safety		33,227
Roads		469,987
Sanitation		18,523
Health and welfare		14,916
		\$ 596,568

**7. Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses at December 31, 2017, consists of the following:

	Payable to vendors	Payroll Liabilities	Total Payables
Governmental Activities:			
General Fund	\$ 72,660	\$ 56,552	\$ 129,212
Transportation Fund	5,073	42,249	47,322
Sales Tax Fund	28,746	16,260	45,006
Road District 9	94,284	7,970	102,254
Road District 16	18,798	3,970	22,768
Health Unit	-	6,492	6,492
Road District 1	2,968	14,234	17,202
Road District 4	4,620	10,060	14,680
Road District 11	7,091	13,873	20,964
Road District 15	17,556	8,373	25,929
Road District 17	18,722	12,170	30,892
Road District 18	9,872	5,711	15,583
Road District 19	208	5,401	5,609
Road District 20	4,530	2,765	7,295
Criminal Court Fund	18,799	3,542	22,341
Witness Fees	554	-	554
	\$ 303,927	\$ 209,622	\$ 514,103

**8. Deferred Inflows of Resources in Fund Financial Statements**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Police Jury has only one type of item, which arises only under a modified accrual basis of accounting that qualified for reporting in this category. Accordingly, this item, unavailable property taxes, is reported only in the government funds balance sheet.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**

December 31, 2017

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**9. Pension Plans**

**A. Parochial Employees' Retirement System (PERS)**

*Plan Description.* The Police Jury contributes to PERS, under Plan A, which is a cost-sharing, multiple employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Plan A was designated for employers out of Social Security. 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](http://www.persla.org).

All permanent parish 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. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

*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

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consists 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.

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.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**9. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)**

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.

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 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.

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.

*Contributions.* According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2016, the actuarially determined contribution rate was 10.52% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2016, was 13.00%.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

**9. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)**

According to state statute, PERS also receives ¼ 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 Police Jury's contractually required composite contribution rate for the year ended December 31, 2017, was 13% 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 Police Jury were \$192,862 for the year ended December 31, 2017.

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

At December 31, 2017, the Police Jury reported a liability of \$494,724 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2016, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2016, the Police Jury's proportion was .240214%, which was a decrease of .012581% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$100,597 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(401).

At December 31, 2017, the Police Jury 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	\$ 383,924	\$ 86,572
Changes of assumptions	93,926	375
Changes in proportion and differences between employer contributions and proportionate share of contributions	833	3,379
Employer contributions subsequent to the measurement date	192,862	
Total	\$ 671,545	\$ 90,326

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

**9. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)**

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

Year ended December 31	
2018	143,794
2019	152,892
2020	99,923
2021	(10,374)
	386,235

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017, is as follows:

Valuation Date	December 31, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Life	4 Years
Investment Rate of Return	7.00%, net of investment expense, including inflation
Projected Salary Increases	5.25% (2.75% Merit/2.5% Inflation)
Mortality Rates	RP-2000 Employee Table Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
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.
Inflation Rate	2.50%

**Changes in Assumptions.**

Amounts reported in fiscal year ended December 31, 2016, for Parochial Employees' Retirement System reflect an adjustment in the discount rate used to measure the total pension liability. The long-term expected rate increase to 7.66% for the year ended December 31, 2016, from 7.55% for year ended December 31, 2015.

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 by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.66% for the year ended December 31, 2016. Best estimates of arithmetic real rates of return for each

**Sabine Parish Police Jury  
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**Notes to the Financial Statements  
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**9. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)**

major class included in the System's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real assets	2%	0.12%
	<u>100%</u>	<u>5.66%</u>
Inflation		2.00%
Expected Arithmetic Nominal Return		<u>7.66%</u>

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Healthy Annuitant Mortality Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back 4 years for males and 3 years for females was used.

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

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 7.00%, as well as what the Police Jury's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1% decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of net pension liability	\$ 1,479,918	\$ 494,724	\$ (338,288)

**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](http://www.persla.org).

***B. District Attorneys' Retirement System (DARS)***

*Plan Description.* The Police Jury contributes to the District Attorneys' Retirement System, State of Louisiana, which is a cost-sharing multiple employer defined benefit pension plan. The System was established on the first day of August, 1956, and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**9. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)**

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

*Benefit 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

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the System.

Disability Benefits

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**

December 31, 2017

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**9. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)**

Survivor's Benefits

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Cost-of-Living Increases

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Deferred Retirement Option Plan

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

**9. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)**

*Contributions.* According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 0.00%. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year ended December 31, 2017 and excluded from pension expense.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2017, was 0.00%, 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 Police Jury were \$0.00 for the year ended December 31, 2017.

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

At December 31, 2017, the Police Jury reported a liability of \$10,109 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Police Jury's proportion was .037478%, which was an increase of .00015% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$3,278 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$3,854.

At December 31, 2017, the Police Jury 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	\$ -	\$ 2,658
Changes of assumptions	4,532	1,193
Net difference between projected and actual earnings on pension plan investments	4,057	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,975	3,859
Total	\$ 11,564	\$ 7,710

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

**9. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)**

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

Year ended December 31	
2018	(618)
2019	1,375
2020	1,015
2021	433
2022	620
2023	501
	3,326
	3,326

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017, are as follows:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service Life	7 years
Investment Rate of Return	6.75%, net of investment expense
Projected Salary Increases	5.50% (3.00% Merit/2.5% Inflation)
Mortality Rates	RP-2000 Combined Health with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) for employees, annuitant, and beneficiary mortality. RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females) was selected for disable annuitants.
Cost of Living Adjustments	Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges 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 ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 9.06% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
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**9. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)**

for each major asset class based on the System's target asset allocation as of June 30, 2017, were as follows:

Asset Class	Long-term Target Asset Allocation	Rates of Return	
		Real	Nominal
Equities	61.72%	11.31%	
Fixed Income	28.95%	6.84%	
Alternatives	8.85%	10.50%	
Real Estate	0.48%	0.50%	
System Total	<u>100.00%</u>		6.56%
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Return			<u><u>9.06%</u></u>

The discount rate used to measure the total pension liability was 6.75%. 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 will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. 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.

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

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 6.75%, as well as what the Police Jury'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%) or one percentage-point higher (7.75%) than the current rate:

	1% decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Employer's proportionate share of net pension liability	\$ 28,887	\$ 10,109	\$ (5,848)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Annual Financial Report at [www.la.gov](http://www.la.gov).

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
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**9. Pension Plan (continued)**

***C. Registrar of Voters Employees' Retirement System (ROVERS)***

*Plan Description.* The Police Jury contributes to the Registrar of Voters Employees' Retirement System of Louisiana, which is a cost-sharing multiple-employer defined benefit pension plan. The System was established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

*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 hired prior to January 1, 2013, is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013, are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013, is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013, that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

Disability Benefits

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

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**Notes to the Financial Statements**  
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**9. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS) (continued)***

Survivor's Benefits

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his 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 any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System.

Cost-of-Living Increases

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

*Contributions.* According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 20.00%.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2017.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
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**9. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)**

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2017, was 20.00% 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 Police Jury were \$2,204 for the year ended December 31, 2017.

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

At December 31, 2017, the Police Jury reported a liability of \$19,089 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Police Jury's proportion was .086961%, which was a decrease of .000248% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$2,106 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(1,029).

At December 31, 2017, the Police Jury 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	\$ -	\$ 3,549
Changes of assumptions	1,834	617
Net difference between projected and actual earnings on pension plan investments	2,147	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	46	1,583
Differences between employer contributions and proportionate share of employer contributions	-	12
Employer contributions subsequent to the measurement date	1,012	-
Total	\$ 5,039	\$ 5,761

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

Year ended December 31	
2018	(482)
2019	(528)
2020	(264)
2021	(726)
	(2,000)

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements  
December 31, 2017**

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**9. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)**

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017, are as follows:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Life	5 Years
Investment Rate of Return	6.75%, net of investment expense
Projected Salary Increases	6.00% (3.5% Merit/2.5% Inflation)
Mortality Rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries
	RP-2000 Disabled Lives Mortality Table for disable annuitants
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently begin 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 as they were deemed not to be substantively automatic.

During the year ended June 30, 2017, mortality assumptions were set after reviewing an experience study performed on plan data for the period from July 1, 2009, through June 30, 2014. The data was assigned credibility weightings and combined with a standard table to produce current levels of mortality. The mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges 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 ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.39% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation were as follows:

**Sabine Parish Police Jury  
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**Notes to the Financial Statements  
December 31, 2017**

**9. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)**

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2017, were as follows:

Asset Class	Target Asset Allocation	Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Domestic Equities	40.00%	7.50%	3.00%
International Equities	15.00%	8.50%	1.28%
Domestic Fixed Income	20.00%	2.50%	0.50%
International Fixed Income	10.00%	3.50%	0.35%
Alternative Investments	5.00%	5.87%	0.31%
Real Estate	10.00%	4.50%	0.45%
	<u>100.00%</u>		<u>5.89%</u>
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Return			<u>8.39%</u>

The discount rate used to measure the total pension liability was 6.75%. 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 will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. 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.

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

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 6.75%, as well as what the Police Jury's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.0%) or one percentage-point higher (8.0%) than the current rate as of June 30, 2017:

	1% decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Employer's proportionate share of net pension liability	\$ 29,177	\$ 19,089	\$ 10,406

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Registrar of Voters Employees' Retirement System of Louisiana Annual Financial Report at [www.la.gov](http://www.la.gov).

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

**10. Other Postemployment Benefits (OPEB)**

*Plan Description.* The Police Jury contributes to a single-employer defined benefit healthcare plan ("the Retiree Healthcare Plan"). To be eligible to receive retirement health benefits, employees must retire with at least 25 years of service and had Parish Government Risk Management Agency medical coverage for at least five years at the time of retirement. The plan provides lifetime healthcare and life insurance for eligible retirees and surviving spouse through the Police Jury's group health insurance plan, which covers both active and retired members. Dental benefits have been added for the fiscal year beginning January 1, 2017. These benefits are included for fiscal year 2017 and later. A Medicare supplement plan becomes available at Medicare eligibility. The retiree does not contribute to the plan. The Retiree Healthcare Plan does not issue a publicly available financial report.

*Annual OPEB Cost and Net OPEB Obligation* - Until 2013, the Police Jury recognized the cost of providing postemployment healthcare benefits as an expense when the benefit premiums were due, financing the cost of the other postemployment benefits on a pay-as-you-go basis. Effective January 1, 2013, the Police Jury implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45). GASB 45 requires the long-term cost of retirement healthcare benefits to be determined on an actuarial basis and reported similar to pension plans. The Police Jury contracts with an actuarial consultant to provide an actuarial valuation of the OPEB liability under GASB 45. The requirements of GASB 45 are being implemented prospectively. Accordingly, for financial statement purposes, no liability was reported for the other postemployment benefits at the date of transition.

*Funding Policy.* GASB Statement 45 does not mandate the prefunding of the postemployment benefits liability. The Police Jury currently funds these payments on a pay-as-you-go basis. No assets have been segregated and restricted to provide post-employment benefits. The Police Jury contributes 100 percent of the cost of current-year premiums for eligible retired plan members. For the year ended December 31, 2017, the Police Jury contributed \$77,362 for healthcare for 3 retired members and/or dependents..

*Annual OPEB Cost.* The Police Jury's annual other postemployment benefit (OPEB) cost (expense) is calculated based on annual required contribution of the employer (ARC). The ARC was calculated using the projected unit cost method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The unfunded actuarial liability is being amortized as a level dollar amount over an open 30-year period.

The following table shows the annual OPEB cost and the net OPEB obligation for the year ended December 31, 2017, and the two prior years:

<u>Fiscal Year Ending</u>	<u>Discount Rate</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>
December 31, 2015	4.00%	\$ 321,089	9.09%
December 31, 2016	4.00%	619,907	12.50%
December 31, 2017	4.00%	610,877	18.20%

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

**10. Other Postemployment Benefits (OPEB) (continued)**

*Funded Status and Funding Progress.* The following table shows components of the Police Jury's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Police Jury's net OPEB:

Normal cost	\$ 262,810
Minimum Amortization of UAL	372,260
Annual required contribution	<u>635,070</u>
ARC adjustment	(82,193)
Interest on net OPEB obligation	<u>58,000</u>
Annual OPEB cost	610,877
Contributions made	<u>(111,182)</u>
Increase in net OPEB obligation	499,695
Net OPEB obligation, beginning of year	1,450,006
Net OPEB obligation, end of year	<u><u>\$ 1,949,701</u></u>

As of December 31, 2017, the actuarial accrued liability for benefits was \$6,472,830, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$843,991 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 766.93%.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
December 31, 2015	\$ -	\$ 3,554,636	\$ 3,554,636	0%	\$ 565,339	628.76%
December 31, 2016	\$ -	\$ 6,472,830	\$ 6,472,830	0%	\$ 843,991	766.93%
December 31, 2017	\$ -	\$ 6,472,830	\$ 6,472,830	0%	\$ 843,991	766.93%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the annual required contributions of the Police Jury are subject to continual revision as actual results are compared to past expectations and will not be known until such time that all eligibility is exhausted and all benefits are paid. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities. Significant methods and assumptions were as follows:

- Discount rate for valuing liabilities - The investment rate of return without prefunding was determined to be 4.00% per annum (1.00% real rate of return plus 3.00% inflation).
- Mortality - Life expectancies were based on the RP-2014 Total Table with Projection MP-2015.

**Sabine Parish Police Jury  
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**Notes to the Financial Statements  
December 31, 2017**

**10. Other Postemployment Benefits (OPEB) (continued)**

- Turnover – Rates vary by age, Sample rates:

Age 25 – 15.00%  
Age 40 -- 6.00%  
Age 55 -- 0.00%

- Retirement Rates – Rates vary by age, with an average retirement age of 60
- Healthcare cost trend rate - The expected rate of increase for medical and pharmacy costs and retiree premiums varies from a rate of 5.00% and 2.00% for dental.
- Participation assumption - 100% of retirees who currently have healthcare coverage will continue with the same coverage. 100% of all active employees who currently have healthcare coverage will continue with the same coverage upon retirement. For those with family coverage 100% will elect to continue with coverage including the spouse.
- Average per capita claim cost:

Age	Medical
50	15,442
51	15,828
52	16,223
53	16,629
54	17,045
55	17,471
56	17,908
57	18,355
58	18,814
59	19,285
60	19,767
65+	8,704

The per capita cost for 65 and later is the annual premium for the Medicare supplement plan. The dental annual per capital cost is assumed to \$334.92.

**11. Capital Leases**

The following is a summary of the long-term debt obligation transactions for the year ended December 31, 2017:

Beginning Balance	\$ -
Additions	114,019
Deductions	(39,342)
Ending Balance	\$ 74,677

As of December 31, 2017, annual debt service requirements for the capital lease for a JD 344K 4WD Loader at 3.5% to maturity are as follows:

Year ending	Principal	Interest
2018	36,686	2,656
2019	37,991	1,351

In accordance with Louisiana Revised Statute 39:562, the Police Jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the parish. At December 31, 2017, the statutory limit was \$20,938,813.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**12. Landfill Closure and Post Closure Costs**

On April 29, 1994, the Sabine Parish Police Jury (the Parish) entered into a 25-year Landfill Solid Waste Management Contract (contract) with Transamerica Waste Industries, Inc. (Contractor) which transfers operation and maintenance of the Sabine Parish Landfill from the Parish to the Contractor. The contract was amended in October, 1997, to increase the royalty percentage paid to the Parish to 9 percent. This revenue is reported in the Sales Tax Fund.

The contract states that the contractor shall be solely responsible for properly closing the landfill and for all required post-closure activities and costs. Therefore, the Parish has not recognized any closure and post-closure costs relating to the operation of the Sabine Parish Landfill.

**13. Workforce Investment Act Program**

The Sabine Parish Police Jury participates in the Workforce Investment Act Program funded through the Louisiana Department of Labor by the United States Department of Labor. The Police Jury is a member of the Seventh Planning District, which is comprised of ten (10) parishes. On August 16, 1983, the members of the Seventh Planning District, consisting of the Parishes of Bienville, Bossier, Caddo, Claiborne, DeSoto, Lincoln, Natchitoches, Red River, Sabine, and Webster and the Seventh Planning District Service Delivery Area (SDA) Private Industry Council entered into an agreement. This agreement designated the president of the Sabine Parish Police Jury as the chief elected official of the SDA and the Sabine Parish Police Jury as the WIA grant recipient. This agreement names the Coordinating and Development Corporation (CDC) as the administrative entity.

The SDA is comprised of three elements:

1. Private Industry Council (PIC) - Consists of 15 members representing a cross-section of the SDA population. The PIC is responsible for providing guidance for program development and for monitoring the operations of the administrative entity.
2. Designated Chief Elected Official - This is a police jury president elected by his peers from the Seventh Planning District. His responsibilities are the same as the PIC.
3. Administrative Entity - The organization selected by the PIC to administer the program is the Coordinating and Development Corporation (CDC) located in Shreveport, Louisiana. All action by the administrative entity must be approved by the PIC and the designated chief elected official.

In August 1983, the designated chief elected official notified the Assistant Secretary of Labor, State of Louisiana, that the Coordinating and Development Corporation (CDC) was designated as the administrative entity for the SDA and that all funds and copies of correspondence should be sent to the CDC. This notification also stated that all bookkeeping and program documents would be maintained by the CDC. Further, in February, 2016, the Sabine Parish Police Jury appointed the Executive Vice President of the CDC as the contracting officer for the WIA Program to act on behalf of the Police Jury. Since that date, the contracting officer has signed all documents on behalf of the grant recipient.

The Sabine Parish Police Jury is the designated grant recipient and (1) has accepted full responsibility for funds expended under the grant, (2) has assured the Louisiana Department of Labor that all funds provided will be expended according to limitations set forth in the Workforce Investment Act, federal and state regulations, and the approved job training plan, and (3) that it will reimburse the Louisiana Department of Labor for any questioned costs which are ultimately disallowed by the United States Department of Labor. Funds are provided by the Louisiana Department of Labor through a letter of credit arrangement into a bank account in the name of the CDC which operates the day-to-day activities of the program. This arrangement was authorized in September 1983, by the designated chief elected official.

**Sabine Parish Police Jury**  
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**Notes to the Financial Statements**  
December 31, 2017

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**14. Compensated Absences**

Compensated absences represent accumulated and vested employee leave benefits computed in accordance with GASB Codification Section C60. For the portion of the salaries paid by the Sabine Parish Police Jury, the cost of current leave privileges, computed in accordance with GASB Codification Section C60 is recognized as current-year expenditure in the governmental funds when leave is actually taken. As of December 31, 2017, the Police Jury's compensated absences payable amounted to 13,743 hours with a resulting liability of \$217,478.

Changes in compensated absences during 2017 are as follows:

Beginning balance	\$	219,334
Additions		58,103
Deductions		<u>(59,959)</u>
Available leave	\$	<u>217,478</u>

**15. Commitments and Contingencies**

Grant Audit

The Police Jury receives grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could result in a request for reimbursement for disallowed costs under the terms of the agreements. In the opinion of management, such disallowances, if any, would not be significant.

Lawsuits

During 2016, the Police Jury was involved in one lawsuit in which a judgement was rendered against the Police Jury. No funds have been appropriated as per La. R.S. 13:5109 by the Police Jury and legal counsel for the Police Jury has opined that no potential liability should be accrued.

**16. Related Party Transactions**

Procedures, observations, and inquiries did not disclose any related party transactions for the fiscal year ended December 31, 2017.

**17. On-Behalf Payments**

For 2017, the Parish received non-employer cash contributions to be used for retirement plan contributions on-behalf of the Parish's employees as follows:

<u>Plan</u>		<u>Amount</u>
Parochial Employees' Retirement System of Louisiana	\$	17,744
Register of Voters Employees' Retirement System	\$	2,460
District Attorneys' Retirement System	\$	3,080

The Parish receives on-behalf payments from the State of Louisiana to be used to supplement the constable and justice of the peace pay. These payments totaled \$11,823 for the year ended December 31, 2017. Such payments are recorded as intergovernmental revenue and public safety expenses in the government-wide and general fund financial statements.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Financial Statements**  
December 31, 2017

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**18. Deficit Fund Balances**

The Witness Fees Fund is funded through court costs designated to pay for law enforcement officers who appear in court while off duty. The nonmajor Witness Fees Special Revenue Fund had a deficit fund balance at December 31, 2017, of \$59,289.

**19. Subsequent Events**

Management has evaluated subsequent events through September 26, 2018, which is the date the financial statements were available to be issued, and has concluded that there are no significant events requiring recognition or disclosure through that date.

**Required Supplementary Information – Part II**

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
General Fund  
For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes-ad valorem	\$ 779,643	\$ 784,054	\$ 793,739	\$ 9,685
Other taxes, licenses, & interest	120,000	131,495	127,016	(4,479)
Intergovernmental revenues:				
Federal funds	36,000	61,823	-	(61,823)
State funds	1,437,377	1,451,336	1,648,990	197,654
Fees, charges, & commissions	128,000	128,100	-	(128,100)
Fines and forfeitures	800	322	322	-
Use of money & property	18,500	35,000	34,881	(119)
Other revenues	1,350	6,278	2,204,587	2,198,309
Less noncash capital contribution			(2,170,750)	(2,170,750)
Total Revenues	<u>2,521,670</u>	<u>2,598,408</u>	<u>2,638,785</u>	<u>40,377</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government:				
Legislative	227,724	221,696	215,773	5,923
Judicial	476,304	492,288	310,154	182,134
Elections	68,948	64,654	61,496	3,158
Finance and administrative:	351,380	374,306	331,421	42,885
Other	770,052	725,440	543,557	181,883
Public safety	577,400	588,776	458,399	130,377
Culture and recreation	100	100	-	100
Health and welfare	17,116	20,007	19,667	340
Economic development	33,941	62,107	56,441	5,666
<b>Capital outlay</b>	-	-	2,198,436	(2,198,436)
Less noncash capital contribution			(2,170,750)	2,170,750
Total Expenditures	<u>2,522,965</u>	<u>2,549,374</u>	<u>2,024,594</u>	<u>524,780</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(1,295)</u>	<u>49,034</u>	<u>614,191</u>	<u>565,157</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(211,000)	(150,000)	61,000
Sale of capital assets	-	2,561	2,561	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(208,439)</u>	<u>(147,439)</u>	<u>61,000</u>
Net change in fund balance	<u>(1,295)</u>	<u>(159,405)</u>	<u>466,752</u>	<u>626,157</u>
Fund Balance - Beginning	<u>7,416,623</u>	<u>7,416,623</u>	<u>7,416,623</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 7,415,328</u>	<u>\$ 7,257,218</u>	<u>\$ 7,883,375</u>	<u>\$ 626,157</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
Transportation Fund  
For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Parish transportation funds-Louisiana	\$ 315,000	\$ 319,250	\$ 336,626	\$ 17,376
Uses of money & property	1,400	2,500	2,874	374
Other revenues	-	-	8,513	8,513
Total Revenues	<u>316,400</u>	<u>321,750</u>	<u>348,013</u>	<u>26,263</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Roads	2,814,463	2,933,735	2,618,232	315,503
<b>Capital Outlay</b>				
Total Expenditures	<u>2,814,463</u>	<u>2,933,735</u>	<u>2,790,733</u>	<u>(172,501)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,498,063)</u>	<u>(2,611,985)</u>	<u>(2,442,720)</u>	<u>169,265</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,340,000	2,340,000	2,340,000	-
Transfers out	(80,000)	(84,250)	(102,880)	(18,630)
Sale of capital assets	-	30,893	30,893	-
Total Other Financing Sources (Uses)	<u>2,260,000</u>	<u>2,286,643</u>	<u>2,268,013</u>	<u>(18,630)</u>
Net Change in Fund Balance	<u>(238,063)</u>	<u>(325,342)</u>	<u>(174,707)</u>	<u>150,635</u>
Fund Balance - Beginning	679,499	679,499	679,499	-
Fund Balance - Ending	<u>\$ 441,436</u>	<u>\$ 354,157</u>	<u>\$ 504,792</u>	<u>\$ 150,635</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
Sales Tax Fund  
For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes - sales tax	\$ 3,000,000	\$ 3,200,000	\$ 3,560,115	\$ 360,115
Fees, charges and commissions	100,000	110,000	113,925	3,925
Salary Reimbursement-Tax Commission	-	144,000	153,447	9,447
Uses of money & property	1,500	5,500	7,853	2,353
Other revenues	-	898	1,800	902
Total Revenues	<u>3,101,500</u>	<u>3,460,398</u>	<u>3,837,140</u>	<u>376,742</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government finance & admin	80,600	220,000	227,729	(7,729)
Public Works Sanitation	902,010	880,172	745,119	135,053
<b>Capital Outlay</b>	-	-	27,313	(27,313)
Total Expenditures	<u>982,610</u>	<u>1,100,172</u>	<u>1,000,161</u>	<u>100,011</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,118,890</u>	<u>2,360,226</u>	<u>2,836,979</u>	<u>476,753</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(2,340,000)	(2,340,000)	(2,340,000)	-
Sale of capital assets	-	-	2,318	2,318
Total Other Financing Sources (Uses)	<u>(2,340,000)</u>	<u>(2,340,000)</u>	<u>(2,337,682)</u>	<u>2,318</u>
Net Change in Fund Balance	(221,110)	20,226	499,297	479,071
Fund Balance -Beginning	1,067,159	1,067,159	1,067,159	-
Fund Balance - Ending	<u>\$ 846,049</u>	<u>\$ 1,087,385</u>	<u>\$ 1,566,456</u>	<u>\$ 479,071</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
Road District 9 Fund  
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes-ad valorem	\$ 201,865	\$ 219,651	\$ 215,147	\$ (4,504)
Intergovernmental Revenues:				
Federal grants	-	39,701	288,989	249,288
State revenue sharing	9,600	9,796	9,736	(60)
Other state funds	-	-	-	-
Uses of Money & Property	450	2,370	3,087	717
Other Revenues	-	1,155	1,154	(1)
Total Revenues	<u>211,915</u>	<u>272,673</u>	<u>518,113</u>	<u>245,440</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General overnment	7,577	7,810	7,970	(160)
Public Works: Roads	246,425	443,936	389,356	54,580
<b>Capital Outlay</b>	-	-	25,036	(25,036)
Total Expenditures	<u>254,002</u>	<u>451,746</u>	<u>422,362</u>	<u>29,384</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,087)</u>	<u>(179,073)</u>	<u>95,751</u>	<u>274,824</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,368	10,695	13,753	3,058
Sale of capital assets	-	8,685	8,685	-
Total Other Financing Sources (Uses)	<u>5,368</u>	<u>19,380</u>	<u>22,438</u>	<u>3,058</u>
Net Change in Fund Balance	<u>(36,719)</u>	<u>(159,693)</u>	<u>118,189</u>	<u>277,882</u>
Fund Balance - Beginning	<u>363,075</u>	<u>363,075</u>	<u>363,075</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 326,356</u>	<u>\$ 203,382</u>	<u>\$ 481,264</u>	<u>\$ 277,882</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
Road District 16 Fund  
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes-ad valorem	\$ 102,854	\$ 106,650	\$ 108,378	\$ 1,728
Intergovernmental revenues:				
Federal grants	-	690	101,461	100,771
State revenue sharing	5,724	5,868	5,803	(65)
Uses of money & property	120	1,350	1,636	286
Other revenues	1,000	-	-	-
Total Revenues	<u>109,698</u>	<u>114,558</u>	<u>217,278</u>	<u>102,720</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General overnment	4,106	3,956	3,970	(14)
Public Works: Roads	170,500	257,936	221,346	36,590
<b>Capital Outlay</b>	-	-	25,036	(25,036)
Total Expenditures	<u>174,606</u>	<u>261,892</u>	<u>250,352</u>	<u>11,540</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(64,908)</u>	<u>(147,334)</u>	<u>(33,074)</u>	<u>114,260</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,306	9,800	11,967	2,167
Sale of capital assets	-	8,685	8,685	-
Total Other Financing Sources (Uses)	<u>9,306</u>	<u>18,485</u>	<u>20,652</u>	<u>2,167</u>
Net Change in Fund Balance	<u>(55,602)</u>	<u>(128,849)</u>	<u>(12,422)</u>	<u>116,427</u>
Fund Balance - Beginning	<u>134,179</u>	<u>134,179</u>	<u>134,179</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 78,577</u>	<u>\$ 5,330</u>	<u>\$ 121,757</u>	<u>\$ 116,427</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
Health Unit Fund  
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes-ad valorem	\$ 169,492	\$ 170,589	\$ 172,698	\$ 2,109
Intergovernmental Revenues:				
State revenue sharing	6,075	6,522	6,464	(58)
Uses of money & property	4,000	7,575	9,549	1,974
Total Revenues	<u>179,567</u>	<u>184,686</u>	<u>194,724</u>	<u>10,038</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government	6,772	6,388	6,492	(104)
Health and welfare	161,735	169,041	156,818	12,223
Total Expenditures	<u>168,507</u>	<u>175,429</u>	<u>163,310</u>	<u>12,119</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,060</u>	<u>9,257</u>	<u>31,414</u>	<u>22,157</u>
Net Change in Fund Balance	11,060	9,257	31,414	22,157
Fund Balance - Beginning	<u>2,010,177</u>	<u>2,010,177</u>	<u>2,010,177</u>	-
Fund Balance - Ending	<u><u>\$ 2,021,237</u></u>	<u><u>\$ 2,019,434</u></u>	<u><u>\$ 2,041,591</u></u>	<u><u>\$ 22,157</u></u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Budgetary Comparison Schedule  
WIA Fund  
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants	\$ -	\$ 2,013,677	\$ 2,031,577	\$ 17,900
<b>EXPENDITURES</b>				
<b>Current:</b>				
Economic Development:	-	2,013,677	2,031,577	\$ 17,900
Total expenditures	-	2,013,677	2,031,577	17,900
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	-	\$ -

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Employer's Share of Net Pension Liability  
Year Ended December 31, 2017**

Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
<b>Parochial Employees' Retirement System (PERS)</b>					
2017	0.24021%	\$ 494,724	\$ 1,542,887	32%	94.1%
2016	0.25280%	\$ 665,429	\$ 1,424,597	47%	92.2%
2015	0.23655%	\$ 64,676	\$ 1,355,036	5%	99.1%
<b>District Attorneys' Retirement System (DARS)</b>					
2017	0.03748%	\$ 10,109	\$ -	0%	93.6%
2016	0.03763%	\$ 7,203	\$ 11,388	63%	74.0%
2015	0.03644%	\$ 1,963	\$ 21,375	9%	99.1%
<b>Registrar of Voters Employees' Retirement System (ROVERS)</b>					
2017	0.08696%	\$ 19,089	\$ 5,955	321%	80.5%
2016	0.08671%	\$ 24,605	\$ 5,955	413%	74.0%
2015	0.08779%	\$ 21,501	\$ 11,911	181%	99.1%

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Employer's Pension Contributions  
Year Ended December 31, 2017**

Year	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Parochial Employees' Retirement System (PERS)					
2017	\$ 192,862	\$ 192,862	\$ -	\$ 1,542,887	12.5%
2016	\$ 185,198	\$ 185,198	\$ -	\$ 1,424,597	13.0%
2015	\$ 210,167	\$ 210,167	\$ -	\$ 1,449,428	14.5%
District Attorneys' Retirement System (DARS)					
2017	\$ -	\$ -	\$ -	\$ -	0.0%
2016	\$ 797	\$ 797	\$ -	\$ 11,388	7.0%
2015	\$ 1,496	\$ 1,496	\$ -	\$ 21,375	7.0%
Registrar of Voters Employees' Retirement System (ROVERS)					
2017	\$ 2,204	\$ 2,204	\$ -	\$ 5,955	40.0%
2016	\$ 2,680	\$ 2,680	\$ -	\$ 5,955	45.0%
2015	\$ 2,888	\$ 2,784	\$ -	\$ 5,955	48.5%

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Compensation, Benefits and Other Payments  
To Agency Head or Chief Executive Officer  
Year Ended December 31, 2017**

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William Weatherford, Secretary-Treasurer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 61,772
Benefits-Insurance	42,472
Benefits-Retirement	7,721
Deferred Compensation	3,830
Car allowance	-
Per diem	-
Reimbursements	703
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 116,498</u>

This schedule is included as required by Louisiana R. S. 24:513(A)(3).

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**Sabine Parish Police Jury**  
**Many, Louisiana**

**Notes to Required Supplementary Information**  
**Year Ended December 31, 2017**

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**Budgetary Information**

The budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Budgets for the governmental funds are adopted annually on the modified accrual basis of accounting. Budgets for some capital project funds are adopted on a project-length basis. Because the budgets adopted on a project-length basis primarily serve as a management control function, no comparison between budgeted and actual amounts for major funds (if any) budgeted on this basis is provided in these financial statements.

The Louisiana Local Government Budget Act provides that “the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year”. The “total estimated funds available” is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

Preliminary budgets for the ensuing year are prepared by the treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. Usually during its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are usually adopted during the regular December meeting and notice is published in the official journal.

Louisiana Revised Statute (LSA-R.S.) 39:1311 requires the chief executive or administrative officer of the Police Jury to advise the Jury in writing when:

1. Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.
2. Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.
3. Actual beginning fund balance, within a fund, fails to meet estimated fund balance by five percent or more and fund balance is being used to fund current year expenditures.

The treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the Police Jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functional levels, the treasurer has the authority to make amendments as necessary.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year-end. The budgets were amended throughout the year. The budget comparison schedules present the original adopted budgets and the final amended budgets.

**Pension Information**

The pension schedules are intended to show information for ten years. Additional years will be displayed as they become available.

**Other Supplementary Information**

**Sabine Parish Police Jury  
Many, Louisiana**

**Other Nonmajor Governmental Funds  
Year Ended December 31, 2017**

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**Road Districts' Maintenance Funds**

The Road Districts are separate taxing districts which levy ad valorem taxes at varying millages. The revenues collected by the individual road districts can only be expended within that district.

**Criminal Juror Fees Fund**

The Criminal Juror Fees Fund maintains the court costs assessed and collected from criminal defendants who are convicted or plead guilty or no contest in district court. From these costs the police jury pays the compensation and mileage for jurors as required by R. S. 3049.

**Criminal Court Fund**

The Criminal Court Fund is a special revenue fund established by state statute to report fines and forfeitures imposed by the Eleventh Judicial District Criminal Court and District Attorney conviction fees in criminal cases. These fees are used for expenses of the criminal court of the parish.

**Witness Fees Fund**

The Witness Fee Fund accounts for fees collected in court proceedings to reimburse other governmental entities for the expense of off-duty law enforcement personnel to be witnesses in court.

**Industrial District No. 1.**

The Industrial District No. 1 Fund accounts for the accumulated balance remaining from servicing the debt on industrial development bonds.

**Sabine Parish Police Jury  
Many, Louisiana**

**Combining Balance Sheet  
Other Nonmajor Governmental Funds  
For the Year Ended December 31, 2017**

	Special Revenue					Total
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,511,310	\$ 10,991	17,329	\$ -	\$ 87,889	\$ 2,627,519
Revenue receivables	2,024,962	425	9,958	1,050	-	2,036,395
Due from other governments	-	-	-	-	-	-
Total Assets	<u>\$ 4,536,272</u>	<u>\$ 11,416</u>	<u>\$ 27,287</u>	<u>\$ 1,050</u>	<u>\$ 87,889</u>	<u>\$ 4,663,914</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 138,154	\$ -	\$ 22,341	\$ 554	\$ -	\$ 161,049
Due to other funds	250,000	-	-	-	-	250,000
Master bank overdrafts	-	-	-	59,785	-	59,785
Total Liabilities	<u>\$ 388,154</u>	<u>\$ -</u>	<u>\$ 22,341</u>	<u>\$ 60,339</u>	<u>\$ -</u>	<u>\$ 470,834</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unavailable property taxes	218,847	-	-	-	-	218,847
Total Deferred Inflows of Resources	<u>\$ 218,847</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,847</u>
<b>FUND BALANCES</b>						
Restricted to:						
Judicial	\$ -	\$ -	\$ 4,946	\$ -	\$ -	\$ 4,946
Roads	3,929,271	-	-	-	-	3,929,271
Witness and juror fees	-	11,416	-	(59,289)	-	(47,873)
Economic development	-	-	-	-	87,889	87,889
Total Fund Balances	<u>\$ 3,929,271</u>	<u>\$ 11,416</u>	<u>\$ 4,946</u>	<u>\$ (59,289)</u>	<u>\$ 87,889</u>	<u>\$ 3,974,233</u>
Total Liabilities & Fund Balances	<u>\$ 4,536,272</u>	<u>\$ 11,416</u>	<u>\$ 27,287</u>	<u>\$ 1,050</u>	<u>\$ 87,889</u>	<u>\$ 4,663,914</u>

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Other Nonmajor Governmental Funds  
For the Year Ended December 31, 2017**

	Special Revenue					Total
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1	
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$ 1,916,628	-	-	\$ -	\$ -	1,916,628
Intergovernmental revenues:						
Federal grants	159,456	-	-	-	-	159,456
State funds:						
State revenue sharing	62,427	-	-	-	-	62,427
Fines and forfeitures	-	3,342	209,461	15,587	-	228,390
Investment earnings	17,622	79	-	-	424	18,125
Other revenue	1,000	-	254	-	-	1,254
Total Revenues	<u>2,157,133</u>	<u>3,421</u>	<u>209,715</u>	<u>15,587</u>	<u>424</u>	<u>2,386,280</u>
<b>EXPENDITURES</b>						
<b>Current:</b>						
General government						
Judicial	-	18,738	245,029	19,434	-	283,201
Other general government	72,587	-	-	-	-	72,587
Public Works	1,832,501	-	-	-	-	1,832,501
<b>Capital outlay</b>	186,220	-	-	-	-	186,220
<b>Debt service</b>						
Principal	39,342	-	-	-	-	39,342
Interest	-	-	-	-	-	-
Total Expenditures	<u>2,130,650</u>	<u>18,738</u>	<u>245,029</u>	<u>19,434</u>	<u>-</u>	<u>2,413,851</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>26,483</u>	<u>(15,317)</u>	<u>(35,314)</u>	<u>(3,847)</u>	<u>424</u>	<u>(27,571)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of assets	17,871	-	-	-	-	17,871
Proceeds from issuance of debt	114,019	-	-	-	-	114,019
Transfers in	77,160	-	150,000	-	-	227,160
Total Other Financing Sources and Uses	<u>209,050</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>359,050</u>
Net Change in Fund Balance	235,533	(15,317)	114,686	(3,847)	424	331,479
Fund Balances - Beginning	3,693,738	26,733	(109,740)	(55,442)	87,465	3,642,754
Fund Balances - Ending (Deficit)	<u>\$ 3,929,271</u>	<u>\$ 11,416</u>	<u>\$ 4,946</u>	<u>\$ (59,289)</u>	<u>\$ 87,889</u>	<u>\$ 3,974,233</u>

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Combining Balance Sheet  
Nonmajor Road District Funds  
For the Year Ended December 31, 2017**

	Special Revenue								Total
	District 1	District 4	District 11	District 15	District 17	District 18	Distirict 19	Distirct 20	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 534,538	\$ 457,156	\$ 705,130	\$ 169,833	\$ 122,190	\$ 225,004	\$ 278,265	\$ 19,194	\$ 2,511,310
Revenue receivables	430,147	283,408	393,848	215,158	325,464	152,376	148,874	75,687	2,024,962
Due from other governments	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 964,685</u>	<u>\$ 740,564</u>	<u>\$ 1,098,978</u>	<u>\$ 384,991</u>	<u>\$ 447,654</u>	<u>\$ 377,380</u>	<u>\$ 427,139</u>	<u>\$ 94,881</u>	<u>\$ 4,536,272</u>
<b>LIABILITIES</b>									
Accounts payable	\$ 17,202	\$ 14,680	\$ 20,964	\$ 25,929	\$ 30,892	\$ 15,583	\$ 5,609	\$ 7,295	\$ 138,154
Due to other funds	-	-	-	-	-	250,000	-	-	250,000
Master bank overdrafts	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>\$ 17,202</u>	<u>\$ 14,680</u>	<u>\$ 20,964</u>	<u>\$ 25,929</u>	<u>\$ 30,892</u>	<u>\$ 265,583</u>	<u>\$ 5,609</u>	<u>\$ 7,295</u>	<u>\$ 388,154</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unavailable property taxes	89,000	8,167	34,127	41,165	20,900	9,678	7,427	8,383	218,847
Total Deferred Inflows of Resources	<u>\$ 89,000</u>	<u>\$ 8,167</u>	<u>\$ 34,127</u>	<u>\$ 41,165</u>	<u>\$ 20,900</u>	<u>\$ 9,678</u>	<u>\$ 7,427</u>	<u>\$ 8,383</u>	<u>\$ 218,847</u>
<b>FUND BALANCES</b>									
Restricted to:									
Roads	\$ 858,483	\$ 717,717	\$ 1,043,887	\$ 317,897	\$ 395,862	\$ 102,119	\$ 414,103	\$ 79,203	\$ 3,929,271
Total Fund Balances	<u>\$ 858,483</u>	<u>\$ 717,717</u>	<u>\$ 1,043,887</u>	<u>\$ 317,897</u>	<u>\$ 395,862</u>	<u>\$ 102,119</u>	<u>\$ 414,103</u>	<u>\$ 79,203</u>	<u>\$ 3,929,271</u>
Total Liabilities & Fund Balances	<u>\$ 964,685</u>	<u>\$ 740,564</u>	<u>\$ 1,098,978</u>	<u>\$ 384,991</u>	<u>\$ 447,654</u>	<u>\$ 377,380</u>	<u>\$ 427,139</u>	<u>\$ 94,881</u>	<u>\$ 4,536,272</u>

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Road District Funds  
For the Year Ended December 31, 2017**

	Special Revenue								Total
	District 1	District 4	District 11	District 15	District 17	District 18	District 19	District 20	
<b>REVENUES</b>									
Taxes:									
Ad valorem	\$ 360,205	\$ 281,165	\$ 363,746	\$ 208,224	\$ 330,259	\$ 155,071	\$ 147,906	\$ 70,052	\$ 1,916,628
Intergovernmental revenues:									
Federal grants	36,045	1,148	21,818	-	153	91,238	662	8,392	159,456
State funds:									
State revenue sharing	9,183	3,470	4,111	13,577	15,286	7,034	5,667	4,099	62,427
Investment earnings	3,868	2,937	4,378	1,621	1,929	828	1,765	296	17,622
Other revenue	1,000	-	-	-	-	-	-	-	1,000
Total Revenues	<u>410,301</u>	<u>288,720</u>	<u>394,053</u>	<u>223,422</u>	<u>347,627</u>	<u>254,171</u>	<u>156,000</u>	<u>82,839</u>	<u>2,157,133</u>
<b>EXPENDITURES</b>									
<b>Current:</b>									
General government - other	14,234	10,060	13,873	8,373	12,170	5,711	5,401	2,765	72,587
Public works	318,880	213,899	276,107	171,195	354,818	313,948	105,962	77,692	1,832,501
<b>Capital Outlays</b>	16,673	20,595	16,673	110,631	1,053	-	-	20,595	186,220
<b>Debt service</b>									
Principal	-	-	-	39,342	-	-	-	-	39,342
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>349,787</u>	<u>244,554</u>	<u>306,653</u>	<u>329,541</u>	<u>368,041</u>	<u>319,659</u>	<u>111,363</u>	<u>101,052</u>	<u>2,130,650</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>60,514</u>	<u>44,166</u>	<u>87,400</u>	<u>(106,119)</u>	<u>(20,414)</u>	<u>(65,488)</u>	<u>44,637</u>	<u>(18,213)</u>	<u>26,483</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of assets	788	2,990	788	4,095	1,238	3,825	3,150	997	17,871
Proceeds from issuance of debt	-	-	-	114,019	-	-	-	-	114,019
Transfers in	9,710	5,794	5,200	14,435	16,864	16,272	4,944	3,941	77,160
Total Other Financing Sources and Uses	<u>10,498</u>	<u>8,784</u>	<u>5,988</u>	<u>132,549</u>	<u>18,102</u>	<u>20,097</u>	<u>8,094</u>	<u>4,938</u>	<u>209,050</u>
Net Change in Fund Balance	71,012	52,950	93,388	26,430	(2,312)	(45,391)	52,731	(13,275)	235,533
Fund Balances - Beginning	787,471	664,767	950,499	291,467	398,174	147,510	361,372	92,478	3,693,738
Fund Balances - Ending	<u>\$ 858,483</u>	<u>\$ 717,717</u>	<u>\$ 1,043,887</u>	<u>\$ 317,897</u>	<u>\$ 395,862</u>	<u>\$ 102,119</u>	<u>\$ 414,103</u>	<u>\$ 79,203</u>	<u>\$ 3,929,271</u>

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Compensation Paid to Police Jurors  
For the Year Ended December 31, 2017**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method the jurors, except for the president, receive \$800 per month for performing the duties of their office. The president of the Police Jury receives an additional \$100 each month.

Juror	District	Per Diem	Reimbursed Expenses
Willes Funderburk	One	\$ 9,600	\$ 143
Mike McCormic	Two	9,600	2,132
Frances Hopkins	Three	4,413	186
Charlie Borwn	Three	5,187	258
William E. Ruffin	Four	9,600	1,238
Ronny Bison- Vice President	Five	9,600	645
Eric Garcie	Six	9,600	156
Ricky Sepulvado	Seven	9,600	635
Kenneth M. Ebarb - President	Eight	10,800	684
Randy Byrd	Nine	9,600	172
Total		<u>\$ 87,600</u>	<u>\$ 6,249</u>

\*The term of current police jurors expires on January 12, 2020.

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2017**

Federal Grantor/Pass-through Grantor/Program Title	CFDA NUMBER	Federal Revenues	Federal Expenditures	Amount Provided Subrecipients
<b>United States Department of Labor:</b>				
WIA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	69,599	69,599	69,599
WorkForce Investment Act Cluster:				
Adult Program	17.258	566,979	566,979	566,979
Adult Administration	17.258	123,519	123,519	123,519
Transfer -Adult	17.258	162,000	162,000	162,000
Youth Program	17.259	431,440	431,440	431,440
Youth Administration	17.259	122,603	122,603	122,603
Dislocated Workers Program	17.278	474,079	474,079	474,079
Dislocated Workers Administration	17.278	81,358	81,358	81,358
<b>Total United States Department of Labor</b>		<b>2,031,577</b>	<b>2,031,577</b>	<b>2,031,577</b>
<b>United States Department of Health &amp; Human Services</b>				
Passed through Louisiana Workforce Commission				
Temporary Assistance for Needy Families:				
Student Temporary Employment Program	93.560			
<b>Total United States Department of Health &amp; Human Services</b>		-	-	-
<b>United States Department of Homeland Security</b>				
Passed through Governor's Office of Homeland Security and Emergency Preparedness				
Emergency Management Performance Grants	97.042	59,660	59,660	-
Disaster Grants - Public Assistance	97.036	549,907	549,907	-
<b>Total United States Department of Health and Human Services</b>		<b>609,567</b>	<b>609,567</b>	-
<b>Total Federal Financial Assistance</b>		<b>2,641,144</b>	<b>2,641,144</b>	<b>2,031,577</b>

Supplementary Information  
Presented for purposes of additional analysis only.

**Sabine Parish Police Jury  
Many, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2017**

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Sabine Parish Police Jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

## OTHER REPORTS



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## **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**

To the Jury Members of the  
Sabine Parish Police Jury

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, each major fund, and the aggregate remaining fund information of Sabine Parish Police Jury as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Sabine Parish Police Jury's basic financial statements and have issued our report thereon dated September 26, 2018.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Sabine Parish Police Jury'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 Sabine Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sabine Parish Police Jury'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 entity'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2017-1.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Sabine Parish Police Jury's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2017-2 and 2017-3.

### **Sabine Parish Police Jury's Response to Finding**

The Sabine Parish Police Jury's response to the findings was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

*Dees Gardner, Certified Public Accountants, LLC*

Dees Gardner, Certified Public Accountants, LLC

September 26, 2018  
Mansfield, Louisiana



# Dees Gardner, Certified Public Accountants, LLC

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Jury Members of the  
Sabine Parish Police Jury

### **Report on Compliance for Each Major Federal Program**

We have audited the Sabine Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Sabine Parish Police Jury's major federal programs for the year ended December 31, 2017. The Sabine Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Sabine Parish Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sabine Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Sabine Parish Police Jury's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Sabine Parish Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

## Report on Internal Control over Compliance

Management of the Sabine Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Sabine Parish Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Sabine Parish Police Jury's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Dees Gardner, Certified Public Accountants, LLC*

Dees Gardner, Certified Public Accountants, LLC

September 26, 2018  
Mansfield, Louisiana

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Findings and Questioned Costs  
Year Ended December 31, 2017**

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**A. SUMMARY OF AUDIT RESULTS**

The following summarize the audit results in accordance with the Uniform Guidance:

1. Since the Jury did not present all of its component units, an adverse opinion was issued for the Sabine Parish Police Jury as a reporting entity; however, an unmodified opinion was issued on the primary government financial statements of the Sabine Parish Police Jury as of and for the year ended December 31, 2017.
2. The audit disclosed on significant deficiency but no material weaknesses in internal control.
3. The audit disclosed two instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any significant deficiencies in internal control over a major program.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed no findings related to federal awards that is required to be reported under the Uniform Guidance
7. The following programs were major for the year ended December 31, 2017:
  - o Workforce Investment Act Cluster (CFDA #17.277, 17.258, 17.259, and 17.278)
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The Sabine Parish Police Jury does not qualify as a low risk auditee.

**B. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The following finding relates to the financial statements and is required to be reported in accordance with *Government Auditing Standards*.

**Internal control-**

***2017-1 Unsubstantiated Travel Reimbursements***

*Criteria* – Article 7 Section 14 of the Louisiana Constitution prohibits the loan, pledge or donation of funds, credit, property or things of value.

*Finding* – When reviewing travel reimbursements for the Sabine Parish Police Jury, it was noted that an employee was reimbursed for a conference held in New Jersey.

- The partial airline receipt reviewed was for a one-way ticket to Philadelphia. There was no ticket information for the return flight; therefore the length of stay could not be determined.
- According to a handwritten notation on the lodging receipt, the conference was held in Trenton, New Jersey. Lodging for the 3-day conference was obtained in Beach Haven, New Jersey (on the Jersey shore); about 60 miles and an hour and a half drive from Trenton.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Findings and Questioned Costs  
Year Ended December 31, 2017**

- 
- The “hotel” was a 2-bedroom apartment that sleeps 6 and is a 5-minute walk to the beach.
  - FEMA has no record of the conference being held on the days noted. The conference listed by the employee has a corresponding number of E0426. According to the FEMA website, the “E” means the conference is held in Emmitsburg, Maryland at the Emergency Management Institute.
  - The employee has no certificate or proof that he attended and could not provide one when requested.
  - The FEMA transcript acquired in August, 2018, for this employee does not have this course listed.

*Questioned costs* – \$1,868.94

*Cause* – The employee did not substantiate the public purpose for the reimbursement and may have violated the Louisiana Constitution Article 7 Section 14 cited above.

*Effect* – Inadequate documentation of travel including the public purpose can result in unauthorized personal use of taxpayer monies.

**Compliance-**

***2017-2 Violation of Audit Law***

*Criteria* – The Police Jury is subject to R.S. 24:513(A)(5)(a), requiring “audits to be completed within six months of the close of the entity’s fiscal year.”

*Finding* – For the year ended December 31, 2017, the audit was not completed and submitted until after the six months deadline.

*Cause* – The independent auditor for the Jury had personal issues and needed an extension in order to complete the audit.

*Effect* – The Jury is not in compliance with the financial reporting standards and is violation of the above state statute.

*Recommendation* – The Jury should file their report each year by the June 30, deadline.

***2017-3 Deficit Fund Balance***

**Witness Fees Fund**

*Criteria* - Louisiana Revised Statutes require the collection of fees in order to pay off-duty law enforcement officers to be present as a witness in any criminal case. R.S. 15:255(A)(2) states “The judge shall, as the need of the special fund require, adjust the schedule of costs to insure that the proceeds are adequate to fully pay the witness fees herein provided.”

*Finding* - For the year ended December 31, 2017, the Police Jury Witness Fee Fund has a deficit fund balance of \$59,289. This is an increase in the deficit from the prior year of \$3,847.

**Sabine Parish Police Jury  
Many, Louisiana**

**Schedule of Findings and Questioned Costs  
Year Ended December 31, 2017**

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*Cause* – The current fee schedule does not assess adequate funds necessary to pay witness fees.

*Effect* – The costs of the witness fees are not being covered by the costs collected by the courts.

*Recommendation* – The judge should increase the court costs in order to fund the actual costs of the witness fees and eliminate the deficit fund balance in the Witness Fees Fund.

**Sabine Parish Police Jury  
Many, Louisiana**

**Status of Prior Year Findings  
Year Ended December 31, 2017**

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2016-1. Violation of Audit Law. Unresolved

2016-2. Local Government Budget Act. Resolved

2016-3, 2015-1. Deficit in Witness Fees Fund. Unresolved See 2017-2

Ronald Bison  
President

Richard M. McCormic  
Vice-President

William E. Weatherford  
Secretary Treasurer

OFFICE OF  
**SABINE PARISH POLICE JURY**

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### Management's Response to Findings

The management of the Sabine Parish Police Jury offers the following responses to the findings identified in the annual financial audit for the year ended December 31, 2017:

#### 2017-1 Unsubstantiated Travel Reimbursements

Management has contacted the employee and requested additional supporting documents.

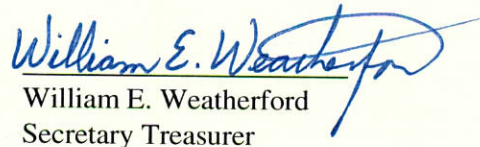
Management has instituted additional internal control procedures to ensure that adequate credible documentation is obtained prior to the reimbursement of employee travel expenses.

#### 2017-2 Violation of Audit Law

The Sabine Parish Police Jury recognizes the importance of timely filing its annual financial audits and will file future reports in accordance with the requirements of R.S. 24:513(A)(5)(a).

#### 2017-3 Deficit Fund Balances

The Witness Fees Fund has reported a deficit fund balance for several years. The increase in the deficit balance during 2017 is evidence that the current fee schedule does not assess adequate funds necessary to pay witness fees. The Sabine Parish Police Jury will request the District Judge to take necessary steps, including a possible increase in court costs, to properly fund the Witness Fees Fund and alleviate the deficit.

  
William E. Weatherford  
Secretary Treasurer



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## **Independent Accountant's Report On Applying Agreed-Upon Procedures**

To the Honorable Kenneth M. Ebarb, President,  
the Members of the Sabine Parish Police Jury,  
William Weatherford, Secretary-Treasurer,  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Sabine Parish Police Jury ("SPPJ") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The SPPJ's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

---

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget  
*Written policies and procedures were obtained and do not address the functions noted above.*
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.  
*Written policies and procedures were obtained and do not address the functions noted above.*
  - c) **Disbursements**, including processing, reviewing, and approving  
*Written policies and procedures were obtained and do not address the functions noted above.*
  - d) **Receipts**, including receiving, recording, and preparing deposits  
*Written policies and procedures were obtained and do not address the functions noted above.*
  - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.  
*Written policies and procedures were obtained and address the functions noted above.*

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

*Written policies and procedures were obtained and do not address the functions noted above.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

*Written policies and procedures were obtained and do not address the functions noted above.*

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

*Written policies and procedures were obtained and do not address the functions noted above.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

*Written policies and procedures were obtained and do not address the functions noted above.*

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*Written policies and procedures were obtained and do not address the functions noted above.*

**Management Response:** Management will endeavor to adopt written policies and procedures that address the items noted above.

### **Board (or Finance Committee, if applicable)**

---

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*No exceptions were noted as a result of this procedure.*

Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

*No exceptions were noted as a result of this procedure.*

- b) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

*No exceptions were noted as a result of this procedure.*

### **Bank Reconciliations**

---

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

*A listing of client bank accounts from management and management's representation that the listing is complete were obtained.*

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

*Bank statements and reconciliations for all months in the fiscal period were obtained for five selected accounts. Reconciliations were found to have been prepared for the selected accounts. It should be noted that the reconciliations did not provide detail on cleared transactions.*

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

*Bank statements and reconciliations for all months in the fiscal period were obtained. Evidence of management review is present.*

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

*In two of the accounts, there were items observed that have been outstanding beyond six months that do not appear to have been researched.*

**Management Response:** *Management is currently reviewing upgrading the accounting software currently utilized. This upgrade should allow for more thorough bank reconciliations. Additionally, management will review and address the outstanding items noted above.*

## **Collections**

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*A listing of cash collection locations and management's representation that the listing was complete were obtained.*

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

*Cash collectors are not bonded. On a standard operating day, separation of duties exists for cash collectors and those that record transactions and reconcile bank accounts. If any of the parties are absent from work, the same person can collect cash, record transactions, & reconcile accounts. There are no shared drawers.*

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to

reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

*Entity does not have written policies and procedures for collections. Documentation observed shows that entity does have a process in place to reconcile collections to the general ledger by revenue source. As noted under section 6(a), the person to reconcile these collections can be the cash collector.*

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

*No exceptions were noted as a result of this procedure.*

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

*Except for lacking documentation allowing for confirmation of completeness of collections, no exceptions were noted as a result of this procedure.*

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

*The entity does not have formal written policies and procedures for determining completeness of collections and no process was observed in practice for same.*

**Management Response:** *The primary revenue source for the SPPJ is ad valorem tax collections. Management will work towards developing and implementing policies and procedures that sufficiently address the collections process taking into consideration the limited collections handled and the limited personnel available. One specific policy will address one of the primary collection items of the SPPJ. This policy will include the adoption of a sequentially numbered recording system for permit payments, which will allow for reconciling permits issued to permit payments deposited.*

#### ***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

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8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

*A listing of disbursements from management and management's representation that the listing was complete were obtained.*

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

*The supporting documentation for the 25 disbursements selected was reviewed and a requisition/purchase order system was found to be utilized.*

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

*No exceptions were noted as a result of this procedure.*

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

*No exceptions were noted as a result of this procedure.*

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

*No exceptions were noted as a result of this procedure.*

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

*No exceptions were noted as a result of this procedure.*

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

*Entity electronically prints checks on blank check stock. One signatory authority has system access to print checks, but every check requires two signatures.*

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

*The entity does not utilize a signature stamp. Signed checks are routinely mailed on the same day checks are signed.*

### **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*A listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards and management's representation that the listing was complete was obtained.*

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

*Using the listing provided by management, ten cards were randomly selected for testing.*

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

*Monthly statements were obtained for the selected cards, and there was evidence that each statement was reviewed and approved by management.*

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

*Monthly statements were obtained for the selected cards and no finance charges and/or late fees were found.*

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

*The reviewed cards were fuel cards that require documentation of mileage at time of purchase to properly monitor card usage. Occasional mileage entry errors were observed that could be reconciled through subsequent mileage entries. Several cards were observed wherein mileage was not being properly entered. For these cards, no mileage entries were made or various mileage amounts were entered preventing review and confirmation of proper card usage.*

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

*See note above under Section 16(a-1) concerning card usage issues. This procedure cannot be confirmed.*

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

*The entity does not have written policies and procedures concerning card usage.*

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

*No exceptions were noted as a result of this procedure*

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*See note above under Section 16(a-1) concerning card usage issues. This procedure cannot be confirmed.*

**Management Response:** *Management will be working to adopt written policies and procedures for card usage. These policies will address fuel card usage and will ensure that proper monitoring of card usage.*

## **Travel and Expense Reimbursement**

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

*A listing of all travel and related expense reimbursements by person during the fiscal period was obtained. Management's representation that the listing was complete was obtained.*

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

*The entity does not have written policies and procedures for travel and expense reimbursements.*

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

*The entity did not utilize per diem reimbursements. Given that the entity does not have written policies and procedures for Travel and Expense Reimbursements, there are items to note. Documentation accompanying several "actual cost" reimbursement requests, it was observed that several individual meals were reimbursed at rates that exceed the reimbursement rates for individual meals established by the GSA for per diem meal reimbursements. One employee was reimbursed for meals on a daily basis at a rate that is higher than GSA allows for per diem meal reimbursements. One employee reimbursement for lodging reviewed exceeded GSA allowable rates.*

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

*All reimbursed expenses included a receipt or some other form of documentation. However, two receipts reviewed were only partial copies and did not include the name and location of the restaurant. One receipt for an airline ticket reimbursement did not include the full itemized portion of the receipt with the details of the purchase.*

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

*The business public purpose could not be confirmed for four total reimbursements reviewed. See section 19(c) for further details.*

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

*The entity does not have written policies and procedures for travel and expense reimbursements.*

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond

conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*Two of the reviewed reimbursements were for the same conference and involved the same days of travel. Lodging reserved for the dates 2/19/2017 through 2/24/2017. The conference attended was held from 2/21/2017 through 2/24/2017. Another reimbursement reviewed and noted under section 19(b-1) does not provide clear evidence of the purpose of travel. This reimbursement also included a reimbursement for lodging. This travel and lodging reimbursement was cited as being for a training course. No evidence was found by the practitioner or produced by the employee that the training course noted took place at the destination of travel on the dates traveled.*

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No exceptions were noted as a result of applying this procedure.*

**Management Response:** *Management will be working to adopt written policies and procedures for travel and expense reimbursements. Additionally, management is reviewing the cited travel and expense exceptions noted and will take the appropriate actions necessary to address them.*

### **Contracts**

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

*A listing of all vendor contracts payments made during the fiscal period was obtained. Management's representation that the listing was complete was obtained.*

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

*Of the vendors reviewed, only one vendor/contract was found to be supported by a formal written contract.*

Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).

*No exceptions were noted as a result of applying this procedure.*

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

*No exceptions were noted as a result of applying this procedure.*

- b) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

*No amendments noted for contracts for vendors/contracts subject to the LPBL. The written contract not subject to LPBL has been amended which was contemplated and provided for in the original contract. The primary purpose of the amendments was the extension of the term of the agreement.*

- c) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

*No exceptions were noted as a result of applying this procedure.*

- d) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

*No exceptions were noted as a result of applying this procedure.*

### ***Payroll and Personnel***

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- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

*Obtained listing of employees and elected officials with their related salaries and management's representation that the listing was complete.*

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

*No exceptions were noted as a result of applying this procedure.*

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

*No exceptions were noted as a result of applying this procedure.*

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

*No exceptions were noted as a result of applying this procedure.*

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

*No exceptions were noted as a result of applying this procedure.*

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

*No exceptions were noted as a result of applying this procedure.*

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

*No exceptions were noted as a result of applying this procedure.*

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

*One payroll tax report was found to be filed late. No other exceptions noted.*

### **Ethics (excluding nonprofits)**

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

*No exceptions were noted as a result of applying this procedure.*

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

*Management asserted that they have received no allegations during the fiscal period.*

### **Debt Service (excluding nonprofits)**

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

*No debt was issued during the fiscal period.*

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

*No exceptions were noted as a result of applying this procedure.*

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

*No exceptions were noted as a result of applying this procedure.*

### **Other**

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*Management has asserted that the entity did not have any misappropriations of public funds or assets.*

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*The entity maintains a website and has the notice posted there and on its premises.*

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

*No exceptions were observed or identified regarding management's representations in the procedures above.*

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Dees Gardner, Certified Public Accountants, LLC*

Dees Gardner, Certified Public Accountants, LLC

September 26, 2018  
Mansfield, Louisiana