

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017
AND FOR THE YEAR THEN ENDED

WITH
INDEPENDENT AUDITOR'S REPORT



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

Annual Financial Statements
As of and for the Year Ended December 31, 2017
With Supplementary Information Schedules

TABLE OF CONTENTS

	Statement	Page
Independent Auditor's Report-----		1-3
Section I - Required Supplementary Information		
Management's Discussion and Analysis -----		4-7
Section II - Government-Wide Financial Statements		
Statement of Net Position-----	A	8
Statement of Activities-----	B	9
Section III - Fund Financial Statements		
Governmental Funds:		
Balance Sheet-----	C	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position -----	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances -----	E	12-13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities-----	F	14
Notes to the Financial Statements -----		15-42
Section IV - Additional Required Supplementary Information		
Exhibit		
Budgetary Comparison Schedules -----		43
General Fund-----	1-1	44
Road Fund -----	1-2	45
Ambulance Fund-----	1-3	46
Waste Collection Fund -----	1-4	47
Landfill Site Fund-----	1-5	48
Economic Development Fund-----	1-6	49

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

Annual Financial Statements
As of and for the Year Ended December 31, 2017
With Supplementary Information Schedules

TABLE OF CONTENTS

	Exhibit	Page
Section IV – Additional Required Supplementary Information (continued)		
Notes to the Required Supplementary Information -----		50-51
Schedule of the Jury’s Proportionate Share of the Net Pension Liability – PERS-----		52
Schedule of the Jury’s Contributions – PERS-----		53
Schedule of the Jury’s Proportionate Share of the Net Pension Liability – ROVER--		54
Schedule of the Jury’s Contributions – ROVER -----		55
Schedule of the Jury’s Proportionate Share of the Net Pension Liability – DARS---		56
Schedule of the Jury’s Contributions – DARS-----		57
Schedule of Funding Progress for Other Post-Employment Benefit Plan -----		58
Section V – Other Supplementary Information		
Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head-----		59
Supplementary Information Schedules-----		60
Schedule of Compensation Paid to Police Jurors and Others -----		61
Schedule of Insurance Coverage-----		62
Combining Nonmajor Governmental Funds – By Fund Type		
Nonmajor Special Revenue Funds-----		63
Combining Balance Sheet – By Fund Type-----	2	64
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – By Fund Type-----	3	65
Combining Balance Sheet -----	4	66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -----	5	67

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

Annual Financial Statements
As of and for the Year Ended December 31, 2017
With Supplementary Information Schedules

TABLE OF CONTENTS

	Exhibit	Page
Section VI – Reports on Internal Control and Compliance		
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> -----		68-69
Schedule of Findings		
Schedule of Findings-----		70
Status of Prior Year Audit Findings -----		71
Current Year Findings, Recommendations, and Corrective Action Plan-----		72
Section VII – Applying Agreed-Upon Procedures		
Independent Accountant’s Report on Applying Agreed-Upon Procedures-----		73
Supplemental Schedule of Agreed-Upon Procedures and Findings -----		74-84
Schedule of Findings-----		85

INDEPENDENT AUDITOR'S REPORT



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INDEPENDENT AUDITOR'S REPORT

Police Jurors
Tensas Parish Police Jury
St. Joseph, Louisiana

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 Tensas Parish Police Jury (Police Jury), as of and for the year ended December 31, 2017, and the related notes to the financial statements which collectively comprise the basic financial statements of the Parish's primary government, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe 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 and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data of the Parish's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish's primary government unless the Parish also issues financial statements for the financial reporting entity that includes the financial data for its component units. The Parish has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units is not reasonably determinable.

Adverse Opinion on Aggregate Discretely-Presented Component Units

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

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matter described in the “Basis for Adverse Opinion on Aggregate Discretely-presented Component Units and Qualifying Opinion on Aggregate Remaining Fund Information” paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Tensas Parish Police Jury as of December 31, 2017, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Tensas Parish Police Jury as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis on pages 4 through 7, and budgetary comparison schedules, the Schedule of the Police Jury’s Proportionate Share of the Net Pension Liability, the Schedule of the Police Jury’s Contributions, and the Schedule of the Funding Progress of the Other Post-Employment Benefit Plan on pages 43 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, 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 required supplementary information 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 financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tensas Parish Police Jury’s basic financial statements. The combining and individual nonmajor fund financial statements; Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head; Schedule of Compensation Paid Police Jurors and Others; and the Schedule of Insurance Coverage described in the accompanying table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements; Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head; Schedule of Compensation Paid Police Jurors and Others; and the Schedule of Insurance Coverage 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 combining and individual nonmajor fund financial statements and the other schedules are 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*, we have also issued a report dated June 4, 2018, on our consideration of the Tensas Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended for the information of the Members of the Tensas Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Natchez, Mississippi
June 4, 2018

SECTION I
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2017

As management of the Tensas Parish Police Jury, we offer readers of the Tensas Parish Police Jury's financial statements this narrative overview and analysis of the financial activities of the Police Jury for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the audit.

FINANCIAL HIGHLIGHTS

- Assets exceeded liabilities by \$9,915,730 in 2017 and \$10,255,716 (as restated) in 2016.
- Expenditures exceeded total revenues by \$339,986 in 2017, and expenditures exceeded revenues by \$491,168 in 2016.
- The Police Jury had net capital assets of \$8,336,867 and has a \$1,307,055 debt associated with capital assets as of December 31, 2017.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Tensas Parish Police Jury's basic financial statements. The Police Jury's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net position. 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 most recent fiscal year.

The government-wide financial statements outline functions of the Police Jury that are principally supported by property taxes and intergovernmental revenues (governmental activities). Fixed assets and related debt is also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 8 through 9 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 basic governmental fund financial statements can be found on pages 10 through 14 of this report.

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 15 to 42 of this report.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Police Jury, assets exceeded liabilities by \$9,932,090 as of December 31, 2017, and \$10,255,716 (as restated) as of December 31, 2016.

Net Position as of December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Current assets	\$ 2,796,832	\$ 2,932,748
Restricted assets	1,141,658	1,023,773
Capital assets	<u>8,336,867</u>	<u>8,303,401</u>
Total assets	<u>\$ 12,275,357</u>	<u>\$ 12,259,922</u>
 Deferred outflows of resources	 <u>\$ 344,466</u>	 <u>\$ 563,940</u>
 Current liabilities	 \$ 688,305	 \$ 606,498
Long-term liabilities	<u>1,953,028</u>	<u>1,956,004</u>
Total liabilities	<u>\$ 2,641,333</u>	<u>\$ 2,562,502</u>
 Deferred inflows of resources	 <u>\$ 62,760</u>	 <u>\$ 77,812</u>
 Net position		
Investment in capital assets, net of related debt	\$ 7,029,812	\$ 6,640,557
Restricted	1,141,658	1,023,773
Unrestricted	<u>1,744,260</u>	<u>2,519,218</u>
Total net position	<u>\$ 9,915,730</u>	<u>\$ 10,183,548</u>

The following is a summary of the Statement of Activities:

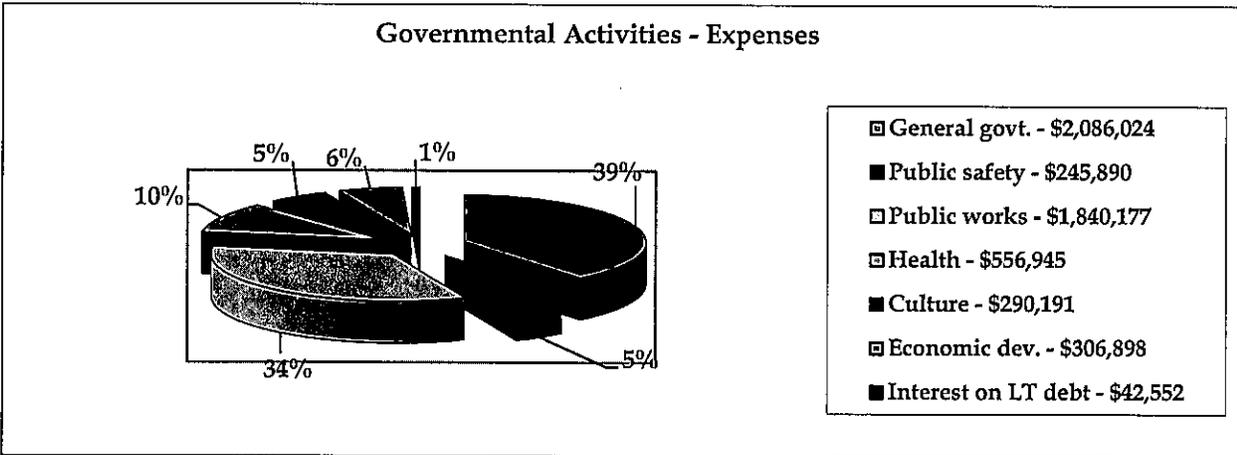
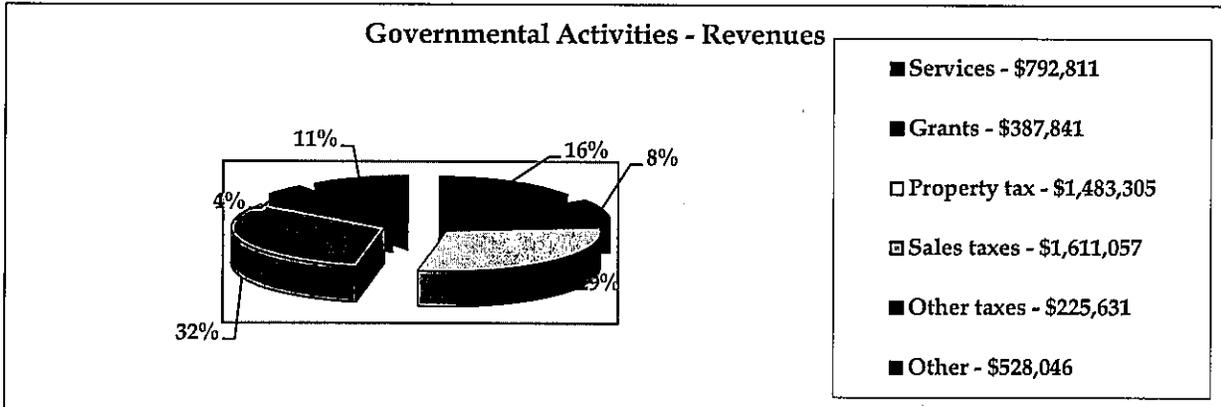
	<u>2017</u>	<u>2016</u>
Revenues		
Program revenues	\$ 1,180,652	\$ 533,739
General revenues	<u>3,848,039</u>	<u>4,038,282</u>
Total revenues	<u>\$ 5,028,691</u>	<u>\$ 4,572,021</u>
 Expenses		
General government	\$ 2,086,024	\$ 2,150,015
Public safety	245,890	326,261
Public works	1,840,177	1,299,520
Health and welfare	556,945	460,398
Culture and recreation	290,191	404,359
Economic development	306,898	379,840
Interest on long-term debt	<u>42,552</u>	<u>42,796</u>
Total expenses	<u>\$ 5,368,677</u>	<u>\$ 5,063,189</u>
 Decrease in net position	 <u>\$ (339,986)</u>	 <u>\$ (491,168)</u>
 Net position, January 1	 \$ 10,183,548	 \$ 10,674,716
Prior period adjustment	<u>72,168</u>	<u>-</u>
Net position, January 1 (as restated)	<u>\$ 10,255,716</u>	<u>\$ 10,674,716</u>
Net position, December 31	<u>\$ 9,915,730</u>	<u>\$ 10,183,548</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2017

The following is a graphical representation of information presented in the Statement of Activities for governmental activities. Business activities are insignificant and are not presented in graph form.



The notes to the financial statements have additional information presented that is essential to a full understanding of the data provided in the government-wide financial statements.

COMMENTS ON GENERAL FUND AND OTHER MAJOR FUND COMPARISONS

The Police Jury's budget was amended once during the last year. The final expenditures budget for all major funds totaled \$3,458,843 and revenues were budgeted at \$2,769,608.

Actual revenues were more than budgeted for all major funds totaled by \$1,177,157, and actual expenditures were more than budgeted amounts by \$689,772. The budget was amended to primarily reflect additional grant revenues and expenditures and changes in taxes and other income.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2017

CAPITAL ASSETS

As of December 31, 2017, the Police Jury had \$8,336,867 invested in capital assets net of accumulated depreciation, including land of \$743,698, that is not being depreciated. This year there were additions of \$407,117 in all the funds. Additions were as follows:

Tractor	\$	8,213
Ceiling Tiles		11,829
Truck		17,645
Construction in progress - port project		30,565
Street Repairs		321,765
Books and copier (Library)		<u>17,100</u>
 Total additions	 \$	 <u><u>407,117</u></u>

Infrastructure assets (roads and bridges) are included in capital assets only as added currently.

MANAGEMENT COMMENTS AND PLANS

The Jury has acquired a \$250,000 grant from USDA to purchase land adjoining the Port property. The property was purchased from Louisiana State University on March 8, 2018. The Police Jury has applied with USDA for grant funding to purchase property owned also by Louisiana State University on the protected side of the levee to be utilized also for the Tensas Parish Port.

The scales and the scale house have been put in at the Port site with funding from Capital Outlay and the Delta Regional Authority. The Jury is applying to the Delta Regional Authority for a barge for the Tensas Parish Port.

The Police Jury has been approved through Delta Regional Authority for monies to purchase and install two fuel farms at the Tensas Parish Airport. The engineer for the Tensas Parish Airport is in the process of formulating bid documents.

The LCDBG road project to pave Texas Road, Waterproof, Louisiana has been completed.

The Police Jury's application for CWEF funds for the two public water systems in the Parish has been approved. The two water systems are in the process of formulating their orders for equipment and supplies per the grant specs.

The Police Jury has applied for a LCDBG for an above-the-ground storage tank for the Tensas Water Association.

The Police Jury has acquired a new pickup truck and mower for the Tensas Parish Landfill with LGAP funds.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. Any questions about this report or request for additional information may be directed to Cathy Darden, Secretary-Treasurer, 205 Hancock Street, St. Joseph, Louisiana 71366.

SECTION II
GOVERNMENT-WIDE FINANCIAL STATEMENTS

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

STATEMENT OF NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2017

ASSETS

Cash and cash equivalents	\$ 1,571,581
Receivables	1,225,251
Amounts held by trustee for landfill closure and post-closure care costs	1,105,280
Restricted assets	36,378
Capital assets, net	8,336,867
Total assets	<u>\$ 12,275,357</u>

DEFERRED OUTFLOWS OF RESOURCES

Total deferred outflows of resources	<u>\$ 344,466</u>
--------------------------------------	-------------------

LIABILITIES

Bank overdraft	\$ 186,711
Accounts, salaries, and other payables	427,999
Long-term liabilities:	
Due within one year	73,595
Due in more than one year	1,233,460
Net pension liability	328,521
Net OPEB liability	391,047
Total liabilities	<u>\$ 2,641,333</u>

DEFERRED INFLOWS OF RESOURCES

Total deferred inflows of resources	<u>\$ 62,760</u>
-------------------------------------	------------------

NET POSITION

Invested in capital assets, net of related debt	\$ 7,029,812
Restricted for:	
Debt service	36,378
Landfill closure	1,105,280
Unrestricted	1,744,260
Total net position	<u>\$ 9,915,730</u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

9
STATEMENT B

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2017

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
General government:				
Legislative	\$ 204,440	\$ -	\$ -	\$ -
Judicial	443,278	-	-	-
Elections	33,357	-	-	-
Finance and administrative	664,437	-	-	-
Other general administrative	740,512	-	358,979	-
Public safety	245,890	86,287	-	-
Public works	1,840,177	704,069	25,900	-
Health and welfare	556,945	-	-	-
Culture and recreation	290,191	-	-	-
Economic development	306,898	2,455	2,962	-
Interest on long-term debt	42,552	-	-	-
Total governmental activities	<u>\$ 5,368,677</u>	<u>\$ 792,811</u>	<u>\$ 387,841</u>	<u>\$ -</u>
General revenue:				
Taxes:				
Ad Valorem				\$ 1,483,305
Sales				1,611,057
Other taxes				225,631
Licenses and permits				60,542
State funds:				
State revenue sharing				38,562
Investment income				28,218
Other revenue				400,724
Total general revenue				<u>\$ 3,848,039</u>
Change in net position				<u>\$ (339,986)</u>
Net position, beginning of year				\$ 10,183,548
Prior period adjustment				<u>72,168</u>
Net position, beginning of year (as restated)				<u>\$ 10,255,716</u>
Net position, end of year				<u>\$ 9,915,730</u>

The accompanying notes are an integral part of this financial statement.

SECTION III
FUND FINANCIAL STATEMENTS

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

STATEMENT C

GOVERNMENTAL FUNDS
BALANCE SHEET

DECEMBER 31, 2017

	Major Funds						Total Governmental Funds	
	General Fund	Road Fund	Ambulance Fund	Waste Collection Fund	Landfill Site Fund	Library Fund		Other Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 392,995	\$ -	\$ 28	\$ -	\$ -	\$ 413,819	\$ 764,739	\$ 1,571,581
Receivables	632,168	52,226	45,914	67,492	-	167,603	259,848	1,225,251
Amounts held by trustee for landfill closure and post-closure care costs	-	-	-	-	1,105,280	-	-	1,105,280
Restricted assets	-	-	-	-	-	-	36,378	36,378
Due from other funds	-	35,475	38,418	23,644	-	-	26,607	124,144
Total assets	<u>\$ 1,025,163</u>	<u>\$ 87,701</u>	<u>\$ 84,360</u>	<u>\$ 91,136</u>	<u>\$ 1,105,280</u>	<u>\$ 581,422</u>	<u>\$ 1,087,572</u>	<u>\$ 4,062,634</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Bank overdraft	\$ 1,840	\$ 11,121	\$ -	\$ 159,422	\$ -	\$ -	\$ 14,328	\$ 186,711
Accounts, salaries, and other payables	46,386	57,333	33,057	207,924	-	6,484	76,815	427,999
Intergovernmental payables	124,144	-	-	-	-	-	-	124,144
Total liabilities	<u>\$ 172,370</u>	<u>\$ 68,454</u>	<u>\$ 33,057</u>	<u>\$ 367,346</u>	<u>\$ -</u>	<u>\$ 6,484</u>	<u>\$ 91,143</u>	<u>\$ 738,854</u>
Fund balances:								
Restricted:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,378	\$ 36,378
Landfill closure	-	-	-	-	1,105,280	-	-	1,105,280
Committed for:								
Special revenue projects	-	19,247	51,303	(276,210)	-	574,938	960,051	1,329,329
Unassigned, reported in:								
General	852,793	-	-	-	-	-	-	852,793
Total fund balances	<u>\$ 852,793</u>	<u>\$ 19,247</u>	<u>\$ 51,303</u>	<u>\$ (276,210)</u>	<u>\$ 1,105,280</u>	<u>\$ 574,938</u>	<u>\$ 996,429</u>	<u>\$ 3,323,780</u>
Total liabilities and fund balances	<u>\$ 1,025,163</u>	<u>\$ 87,701</u>	<u>\$ 84,360</u>	<u>\$ 91,136</u>	<u>\$ 1,105,280</u>	<u>\$ 581,422</u>	<u>\$ 1,087,572</u>	<u>\$ 4,062,634</u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2017

Total fund balances, governmental funds (Statement C)	\$	3,323,780
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:		
Land, buildings, and equipment	\$	14,962,734
Less - accumulated depreciation		<u>(6,625,867)</u>
		8,336,867
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund liabilities.		
Notes payable	\$	(1,307,055)
Net pension liability		(328,521)
Net OPEB liability		<u>(391,047)</u>
		(2,026,623)
Deferred outflows and inflows are not financial resources or currently payable.		
Deferred outflows	\$	344,466
Deferred inflows		<u>(62,760)</u>
		<u>281,706</u>
Net position of governmental activities (Statement A)	\$	<u><u>9,915,730</u></u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

STATEMENT E

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2017

	Major Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Road Fund	Ambulance Fund	Waste Collection Fund	Landfill Site Fund	Library Fund		
REVENUES								
Taxes:								
Ad valorem	\$ 867,561	\$ -	\$ -	\$ -	\$ -	\$ 273,981	\$ 341,763	\$ 1,483,305
Sales taxes	-	495,792	536,923	330,446	-	-	247,896	1,611,057
Other taxes	146,444	79,187	-	-	-	-	-	225,631
Licenses and permits	60,542	-	-	-	-	-	-	60,542
State funds:								
State revenue sharing	15,197	-	-	-	-	10,015	13,350	38,562
Other state grants	343,467	25,900	-	-	-	-	18,474	387,841
Fees, charges, and commissions for services	-	-	-	509,677	21,480	-	175,367	706,524
Fines and forfeitures	-	-	-	-	-	-	86,287	86,287
Investment income	297	35	125	46	21,856	2,292	3,567	28,218
Other revenue	77,615	83,377	-	-	-	1,945	237,787	400,724
Total revenue	\$ 1,511,123	\$ 684,291	\$ 537,048	\$ 840,169	\$ 43,336	\$ 288,233	\$ 1,124,491	\$ 5,028,691
EXPENDITURES								
General government:								
Legislative	\$ 204,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,440
Judicial	172,218	-	-	-	-	-	271,060	443,278
Elections	33,357	-	-	-	-	-	-	33,357
Finance and administrative	258,905	96,101	12,711	201,937	-	18,978	75,805	664,437
Other general government	303,674	-	-	-	-	-	-	303,674
Public safety	71,403	-	-	-	-	-	146,467	217,870
Public works	-	566,466	-	1,145,304	-	-	81,339	1,793,109
Health and welfare	5,326	-	405,783	-	-	-	94,902	506,011
Culture and recreation	1,898	-	-	-	-	202,459	-	204,357
Economic development	-	-	-	-	-	-	306,898	306,898

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

STATEMENT E

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2017

	Major Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Road Fund	Ambulance Fund	Waste Collection Fund	Landfill Site Fund	Library Fund		
Debt service:								
Principal retirement	300,000	-	-	-	-	-	72,149	372,149
Interest and bank charges	2,421	-	-	-	-	-	40,131	42,552
Capital outlay	333,594	25,858	-	-	-	17,100	30,565	407,117
Total expenditures	<u>\$ 1,687,236</u>	<u>\$ 688,425</u>	<u>\$ 418,494</u>	<u>\$ 1,347,241</u>	<u>\$ -</u>	<u>\$ 238,537</u>	<u>\$ 1,119,316</u>	<u>\$ 5,499,249</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>\$ (176,113)</u>	<u>\$ (4,134)</u>	<u>\$ 118,554</u>	<u>\$ (507,072)</u>	<u>\$ 43,336</u>	<u>\$ 49,696</u>	<u>\$ 5,175</u>	<u>\$ (470,558)</u>
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfers in	\$ 696,740	\$ -	\$ -	\$ 110,200	\$ -	\$ -	\$ 354,710	\$ 1,161,650
Transfers (out)	(718,860)	(35,730)	(113,300)	-	-	-	(293,760)	(1,161,650)
Total other financing sources (uses)	<u>\$ (22,120)</u>	<u>\$ (35,730)</u>	<u>\$ (113,300)</u>	<u>\$ 110,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,950</u>	<u>\$ -</u>
Net change in fund balances	<u>\$ (198,233)</u>	<u>\$ (39,864)</u>	<u>\$ 5,254</u>	<u>\$ (396,872)</u>	<u>\$ 43,336</u>	<u>\$ 49,696</u>	<u>\$ 66,125</u>	<u>\$ (470,558)</u>
FUND BALANCES - BEGINNING	<u>\$ 1,051,026</u>	<u>\$ 59,111</u>	<u>\$ 46,049</u>	<u>\$ 120,662</u>	<u>\$ 989,776</u>	<u>\$ 525,242</u>	<u>\$ 930,304</u>	<u>\$ 3,722,170</u>
Prior period adjustment	-	-	-	-	72,168	-	-	72,168
Fund balance, beginning (as restated)	<u>\$ 1,051,026</u>	<u>\$ 59,111</u>	<u>\$ 46,049</u>	<u>\$ 120,662</u>	<u>\$ 1,061,944</u>	<u>\$ 525,242</u>	<u>\$ 930,304</u>	<u>\$ 3,794,338</u>
<u>FUND BALANCES - ENDING</u>	<u>\$ 852,793</u>	<u>\$ 19,247</u>	<u>\$ 51,303</u>	<u>\$ (276,210)</u>	<u>\$ 1,105,280</u>	<u>\$ 574,938</u>	<u>\$ 996,429</u>	<u>\$ 3,323,780</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, 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

Total net change in fund balances - governmental funds (Statement E)	\$	(470,558)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period:

Capital outlays	\$	407,117	
Less - depreciation expense		<u>(373,651)</u>	33,466

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Proceeds from loans are a revenue in the governmental funds but increase long-term debt in the statement of net position.

Repayment of long-term liabilities	372,149
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Governmental funds do not report an increase in landfill closure/post-closure care liability as a current expenditure because it does not require the use of current financial resources. However, in the statement of activities, they are recognized as an expense as they accumulate.

Increase in debt created by landfill life closure costs	(16,360)
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Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the statement of activities, the net pension expense is reported according to estimates required by GASB Statement 68:

Pension expenses paid	\$	50,262	
Pension expenses per GASB Statement 68		<u>(180,885)</u>	(130,623)

Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds.

Net other post-employment benefits	\$	(190,043)	
Net other pension related items		<u>61,983</u>	<u>(128,060)</u>

Change in net position of governmental activities (Statement B)	\$	<u><u>(339,986)</u></u>
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The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

INTRODUCTION

1. The Tensas Parish Police Jury was created by Legislative act in the 1800's.
2. The Police Jury is the governing body of Tensas Parish, Louisiana.
3. The Police Jury consists of seven jurors elected to represent the various districts in the Parish. The Jurors serve four-year terms, which expire December 31, 2018. The Jurors are paid \$1,600 per month. The President receives \$2,000 per month.
4. Tensas Parish is located along the Mississippi River in northeast Louisiana. The land area of the Parish is approximately 602 square miles.
5. Tensas Parish has a population of 4,578.
6. The Police Jury has 11 full-time employees and no part-time employees at this time and maintains 155 miles of roads.

GASB Statement 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Police Jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Police Jury has oversight of other component units that are blended into the Police Jury's basic financial statements.

Blended component units of the Police Jury are Gravity Drainage Districts No. 1, No. 2, and No. 3, and the Tensas Parish Library. These component units, despite being legally separate from the Police Jury, are so intertwined with the primary government that they are, in substance, the same as the primary government. These component units are reported as part of the primary government in both the fund financial statements and the government-wide financial statements. The blended component unit's balances and transactions are reported in the same manner as the balances and transactions of the Police Jury itself. These entities are reported in the Nonmajor Special Revenue Funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Government-Wide and Fund Financial Statements (continued)

These component units are as follows:

Component Unit

Fire Protection District No. 1 of Tensas Parish
Lake Bruin Recreation and Water Conservation District
Lake Bruin Waterworks District No. 1
Tensas Economic and Industrial Development District (not active)
Tensas Parish Agricultural Arena Commission (not active)
Tensas Parish Clerk of Court
Tensas Parish Hospital Service District (not active)
Tensas Parish Sheriff
Tensas Parish Tax Assessor

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported in separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Police Jury reports the following major governmental funds:

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

Road Fund - This fund accounts for funds used to maintain roads.

Ambulance Fund - This fund accounts for funds used to operate the ambulance services.

Waste Collection Fund - This fund accounts for the operation of the landfill from unrestricted revenues.

Landfill Site Fund - This fund accounts for the operation of the landfill from sales funds which are restricted.

Library Fund - This fund accounts for the operation of the Tensas Parish Library, financed by a specific Parish-wide ad valorem tax and the related state revenue sharing and state grants.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Police Jury's policy to use restricted resources first then unrestricted resources as they are needed.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Deposits and Investments

The Police Jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Police Jury's investment policy allow the Police Jury to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments for the Police Jury, as well as for its component units, are reported at fair value.

D. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. The balance of accounts receivable is expected to be collected in full so no allowance for doubtful accounts has been established.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Taxes due for:			
General fund	16.92	16.92	Indefinite
Court system building	13.81	13.81	2027
Drainage District No. 1	9.96	9.61	2026
Drainage District No. 2	3.00	3.11	2021
Drainage District No. 3	2.31	3.77	2023
Health unit	3.36	3.59	2026
Library	4.87	5.21	2026

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Receivables and Payables (continued)

Sales taxes are authorized as follows:

	<u>Levied %</u>	<u>Expiration Date</u>
Landfill and garbage collection	1.00%	Indefinite
Roads	1.00%	Indefinite
Economic development	.50%	2023
Fire protection	.25%	2019
Ambulance	.75%	2023

E. Restricted Assets and Reserved Equity

Restricted assets represent those assets that are legally separated for a specific purpose. Restricted assets at December 31, 2017, were as follows:

Restricted for landfill closure	\$ 1,105,280
Restricted for debt service	<u>36,378</u>
Total	<u>\$ 1,141,658</u>

F. Elimination and Reclassifications

In the process of compiling data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

G. Capital Assets

Capital assets, which include property, plant, equipment, and land assets, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (97% of capital assets are reported at actual cost) if historical cost is not available. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets. Infrastructure assets (roads and bridges) are not included for those items acquired prior to January 1, 2004.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10-40 years
Equipment and furniture (including vehicles)	5-10 years
Books, periodicals, and law books	7-10 years

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences

Employees of the Police Jury earn 5 to 10 days of noncumulative annual leave each year, depending on their length of service. Full-time employees are allowed, on an as-needed basis, sick leave up to 12 days each year. A maximum of 30 days of sick leave may be accumulated and carried forward. There is no provision for payment of accrued sick leave upon separation.

Full-time employees of the Tensas Parish Library, with at least 6 months of service, earn from 10 to 22 days of noncumulative annual leave each year, depending on their position. Part-time employees earn annual leave on a pro rata basis. Full-time employees earn 14 days of sick leave each year, with part-time employees earning sick leave on a pro rata basis. Sick leave of up to 42 days may be accumulated. There is no provision for payment of accumulated sick leave upon separation.

Employees of the Sixth Judicial District Criminal Court earn from 5 to 10 days of vacation leave each year, depending on their length of service. Annual leave must be taken in the year earned and cannot be carried forward. Sick leave is granted, on an as-needed basis, at the discretion of the district attorney and judges of the District. At December 31, 2017, there are no accumulated and vested benefits relating to annual and sick leave that require accrual or disclosure.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities Statement of Net Position.

J. Fund Equity

Beginning with fiscal year 2011, the Police Jury implemented GASB Statement 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Fund Equity (continued)

The Police Jury establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Police Jury through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

In the general fund, the Police Jury strives to maintain an unassigned fund balance to be used for unanticipated emergencies.

A deficit-committed fund balance of \$276,210 exists in the Waste Collection Fund.

The page labeled Statement of Net Position (Statement A) and the page labeled Statement of Activities (Statement B) display information about the Jury as a whole. These statements include all the financial activities of the Jury. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

K. Deferred Outflows/Inflows of Resources

The statement of financial position will often report 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 a future period(s) and so will be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

L. Impact of Recently Issued Accounting Principles

As of December 31, 2015, the Police Jury implemented GASB Statement 68 - *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, which resulted in a cumulative change in accounting principle and also a reStatement of Net Position in 2015.

As of January 1, 2016, the Police Jury began providing post-employment health care to its employees. As a result, GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, was implemented for the year ended December 31, 2016, which resulted in a prospective change in accounting principle, detailed in Note 15.

Subsequently, the Governmental Accounting Standards Board issued GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is effective for financial statements for fiscal years beginning after June 15, 2016, and will supersede GASB Statement 45. The requirements of this statement will have little to no effect on the financial statements but will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget Information

The Police Jury uses the following budget practices:

Budgets - Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the Parish. 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 then adopted during the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions, the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

NOTE 3 - CASH AND CASH EQUIVALENTS

At December 31, 2017, the Police Jury has cash and cash equivalents (book balances) totaling \$1,607,959 as follows:

Demand deposits	\$ 1,238,959
Time deposits	<u>369,000</u>
Total	<u>\$ 1,607,959</u>

These deposits are stated at cost, which approximates market. 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.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - CASH AND CASH EQUIVALENTS (continued)

At December 31, 2017, the Police Jury has \$2,574,340 in deposits (collected bank balances). These deposits are secured from risk by \$750,000 of federal deposit insurance and \$2,570,207 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 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 has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES

The receivables of \$1,225,251 at December 31, 2017, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Waste Collection Fund</u>	<u>Library Fund</u>	<u>Other Govern- mental Funds</u>	<u>Totals</u>
Taxes:							
Ad valorem	\$ 588,570	\$ -	\$ -	\$ 28,258	\$ 167,603	\$ 218,065	\$ 1,002,496
Sales and use	43,598	52,226	45,914	-	-	-	141,738
Fines	-	-	-	-	-	4,223	4,223
Other	-	-	-	39,234	-	37,560	76,794
Total	<u>\$ 632,168</u>	<u>\$ 52,226</u>	<u>\$ 45,914</u>	<u>\$ 67,492</u>	<u>\$ 167,603</u>	<u>\$ 259,848</u>	<u>\$ 1,225,251</u>

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of accounts receivable is expected to be collected in full so no allowance for doubtful accounts has been established.

NOTE 5 - INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Police Jury or its agent in the Police Jury's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the Police Jury's name.
3. Uninsured and unregistered, with securities held by the counter party, or its trust department or agent but not in the Police Jury's name.

At the end of the year, the Police Jury's investment balances were as follows:

<u>Type of Investment</u>	<u>Category</u>			<u>Carrying Amount</u>	
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>
Federal agencies	<u>\$ 1,105,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,089,218</u>	<u>\$ 1,105,280</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 6 - INTERFUND RECEIVABLES/PAYABLES (FSS LEVEL ONLY)

<u>Due to Other Funds</u>	<u>Due from Other Funds</u>		
Road Fund	General Fund	\$	35,475
Ambulance Fund	General Fund		38,418
Waste Collection Fund	General Fund		23,644
Nonmajor Fund	General Fund		26,607
			<u>124,144</u>
		\$	<u>124,144</u>

The purpose of the due to/ due from balances was to provide funds for operating purposes.

NOTE 7 - CAPITAL ASSETS

A summary of the Police Jury's capital assets follows:

<u>Primary Government</u>	<u>Balance, Beginning</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance, Ending</u>
Capital assets not being depreciated				
Land	\$ 743,698	\$ -	\$ -	\$ 743,698
Capital assets being depreciated				
Buildings	\$ 8,889,947	\$ 60,724	\$ -	\$ 8,950,671
Furniture, fixtures, and equipment	4,663,612	604,753	-	5,268,365
Construction in progress	258,360	-	(258,360)	-
Total	<u>\$ 13,811,919</u>	<u>\$ 665,477</u>	<u>\$ (258,360)</u>	<u>\$ 14,219,036</u>
Less accumulated depreciation				
Buildings	\$ (2,112,481)	\$ (243,312)	\$ -	\$ (2,355,793)
Furniture, fixtures, and equipment	(4,139,735)	(130,339)	-	(4,270,074)
Total accumulated depreciation	<u>\$ (6,252,216)</u>	<u>\$ (373,651)</u>	<u>\$ -</u>	<u>\$ (6,625,867)</u>
Total depreciable capital assets, net	<u>\$ 7,559,703</u>	<u>\$ 291,826</u>	<u>\$ (258,360)</u>	<u>\$ 7,593,169</u>
Governmental activities capital assets, net	<u>\$ 8,303,401</u>	<u>\$ 291,826</u>	<u>\$ (258,360)</u>	<u>\$ 8,336,867</u>

Depreciation expense of \$373,651 for the year ended December 31, 2017, was charged to the following governmental functions:

General government	\$ 178,155
Public safety	28,020
Public works	30,708
Health and welfare	50,934
Culture and recreation	85,834
Total	<u>\$ 373,651</u>

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2017, were as follows:

Transfers

<u>Fund</u>	<u>In</u>	<u>Out</u>
General	\$ 696,740	\$ 718,860
Road	-	35,730
Ambulance	-	113,300
Landfill solid waste	110,200	-
Other governmental	354,710	293,760
	<u>\$ 1,161,650</u>	<u>\$ 1,161,650</u>

Transfers are primarily used to cover operating expenses.

NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$427,999 at December 31, 2017, are as follows:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Waste Collection Fund</u>	<u>Library Fund</u>	<u>Other Govern- mental Funds</u>	<u>Total</u>
Salaries and retirement	\$ 3,435	\$ 8,182	\$ -	\$ 1,186	\$ 5,934	\$ 12,360	\$ 31,097
Withholdings	1,521	316	-	1,395	550	8,313	12,095
Accounts	41,430	48,835	33,057	205,343	-	56,142	384,807
Total	<u>\$ 46,386</u>	<u>\$ 57,333</u>	<u>\$ 33,057</u>	<u>\$ 207,924</u>	<u>\$ 6,484</u>	<u>\$ 76,815</u>	<u>\$ 427,999</u>

NOTE 10 - LONG-TERM LIABILITIES

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

	<u>Sales Tax Bonds</u>	<u>Public Improvement Bonds</u>	<u>Certificates of Indebtedness</u>	<u>Landfill Closure and Post-Closure Care Costs</u>	<u>Short-Term Operating Loan</u>	<u>Total</u>
Long-term debt at January 1, 2017	\$ 190,000	\$ 922,592	\$ 103,000	\$ 147,252	\$ 300,000	\$ 1,662,844
Additions	-	-	-	16,360	-	16,360
Reductions	(25,000)	(14,149)	(33,000)	-	(300,000)	(372,149)
Long-term debt payable at December 31, 2017	<u>\$ 165,000</u>	<u>\$ 908,443</u>	<u>\$ 70,000</u>	<u>\$ 163,612</u>	<u>\$ -</u>	<u>\$ 1,307,055</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM LIABILITIES (continued)

The Police Jury records items under capital leases as an asset and an obligation in the accompanying financial statements. The net book value of equipment under capital leases at December 31 was as follows:

Equipment	\$ 163,000
Less accumulated depreciation	<u>(163,000)</u>
	<u>\$ -</u>

Depreciation in 2017 on capital lease equipment was \$0.

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2017:

	Sales Tax Bonds	Public Improvement Bonds	Certificates of Indebtedness	Landfill Closure and Post-closure Care Costs	Total
Current portion	\$ 25,000	\$ 14,595	\$ 34,000	\$ -	\$ 73,595
Long-term portion	<u>140,000</u>	<u>893,848</u>	<u>36,000</u>	<u>163,612</u>	<u>1,233,460</u>
Total	<u>\$ 165,000</u>	<u>\$ 908,443</u>	<u>\$ 70,000</u>	<u>\$ 163,612</u>	<u>\$ 1,307,055</u>

Long-term debt is comprised of the following issues:

\$238,000 sales tax bonds, due in semi-annual interest and principal payments totaling \$30,940 to \$31,780 through 2023, with interest at 4%.

Secured by pledge of annual revenues. \$ 165,000

\$700,900 public improvement bonds - interim financing due in 2016, with interest at 4.5%. Secured by \$974,000 bond anticipation notes, secured by pledge of annual revenues. 908,443

\$300,000 certificates of indebtedness due in semi-annual interest and principal payments totaling \$37,465 to \$38,118 through 2019, with interest at 4.95%. Secured by pledge of annual revenues. 70,000

Landfill closure costs:

Landfill closure costs estimated to occur in 2176-2206 163,612

Total long-term debt \$ 1,307,055

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10 - LONG-TERM LIABILITIES (continued)

Annual debt service requirements to maturity for the following debt reported in the Statement of Net Position are as follows:

Year	Sales Tax Bonds		Public Improvement Bonds		Certificate of Indebtedness	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 25,000	\$ 5,680	\$ 14,595	\$ 27,720	\$ 34,000	\$ 3,465
2019	26,000	4,940	15,058	27,423	36,000	1,782
2020	27,000	4,020	15,535	26,750	-	-
2021	28,000	2,920	16,028	26,242	-	-
2022	29,000	1,780	16,536	25,718	-	-
2023-2027	30,000	600	90,881	123,009	-	-
2028-2032	-	-	106,557	107,333	-	-
2033-2037	-	-	124,171	89,719	-	-
2038-2042	-	-	145,140	68,750	-	-
2043-2047	-	-	169,649	44,241	-	-
2048-2052	-	-	194,293	19,208	-	-
2053-2055	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-
Total	<u>\$ 165,000</u>	<u>\$ 19,940</u>	<u>\$ 908,443</u>	<u>\$ 586,113</u>	<u>\$ 70,000</u>	<u>\$ 5,247</u>

The Police Jury's certificates of indebtedness are governed by the terms of an indenture agreement under which sinking funds are established. At December 31, 2017, the Police Jury was in compliance with this covenant.

NOTE 11 - SOLID WASTE LANDFILL COSTS

State and federal laws and regulations require the Police Jury to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Although final closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Police Jury reports a portion of those closure and post-closure care costs in long-term debt in Statement A, based on cumulative landfill capacity used as of December 31 of each year. The \$163,612 reported as landfill closure and post-closure care liability at December 31, 2017, represents 12% of the estimated capacity of the currently active cells. During 2011, the Police Jury expanded the capacity of the Type I and II landfill from 2,096,640 cubic yards to 14,168,076 cubic yards. The life was extended by 166 additional years. The landfill is projected to be filled in year 2176. The expansion reduced the present value of the estimated cost to close the landfill and post-closure cost. The Police Jury will recognize the remaining cost of closure and post-closure care of \$4,403,255 as the remaining capacity is filled. These amounts are based on the estimated cost to perform closure and post-closure care beginning in year 2176 and continuing for 30 years to year 2206.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - SOLID WASTE LANDFILL COSTS (continued)

However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

During the year ended December 31, 1998, the Police Jury established a trust fund, in accordance with an agreement between the Police Jury and the Louisiana Department of Environmental Quality (LDEQ), to provide funding to cover the closure and post-closure care costs estimated to be approximately \$4,403,255. The agreement provides that the Police Jury shall make annual contributions of approximately \$21,480 for thirty years.

The following is a summary of the trust fund activity for the year ended December 31, 2016, relating to the Police Jury's compliance with the LDEQ agreement:

Balance, December 31, 2016 (as restated)	\$ 1,061,944
Additions:	
Deposits	21,480
Investment earnings	<u>21,856</u>
Balance, December 31, 2017	<u>\$ 1,105,280</u>

NOTE 12 - RETIREMENT

Substantially all employees of the Police Jury are members of the Parochial Employees Retirement System of Louisiana (the System), a multiple-employer public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Police Jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final compensation multiplied by the employee's years of credited service. However, for those employees who were members of the supplementary plan only prior to January 1, 1980, the benefit is equal to 1% of final compensation, plus \$24 for each year of supplementary plan-only service earned prior to January 1, 1980.

Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required Supplementary information for the System. That report may be obtained by writing to the Parochial Employees Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - RETIREMENT (continued)

Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 12.50% of annual covered payroll. Contributions to the System include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of the Parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the employers are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The employer contributions to the System under Plan A for the year ending December 31, 2017, were \$96,689.

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - PERS

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

At December 31, 2017, the Jury reported a liability of \$294,807 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 entities, actuarially determined. At December 31, 2016, the Police Jury's proportion was .1431440 %.

For the year ended December 31, 2017, the Jury recognized pension expense of \$174,112, less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$841. At December 31, 2017, the 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	\$ -	\$ 51,588
Changes of assumptions	55,971	-
Net difference between projected and actual earnings on pension plan investments	228,781	-
Changes in proportion and differences between Jury contributions and proportionate share of contributions	-	1,760
Police Jury contributions subsequent to the measurement date	<u>47,652</u>	<u>-</u>
Total	<u>\$ 332,404</u>	<u>\$ 53,348</u>

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - PERS (continued)

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

\$47,652 reported as deferred outflows of resources related to pensions resulting from Jury contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2018	\$	85,812
2019		91,771
2020		60,002
2021		(6,181)

Actuarial assumptions. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2016
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.00% (Net of Investment Expense), including inflation
Expected remaining service lives	4 years
Projected salary increase	5.25% (2.75% Merit/2.50% Inflation)
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee 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.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - PERS (continued)

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

The long-term expected real 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%. Best estimates of geometric real rates of return for each major asset 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%
Totals	100%	5.66%
Inflation		2.00%
Expected arithmetic nominal return		7.66%

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. 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 PERSAC taking into consideration the recommendation of the System's actuary. Based on these 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 to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' 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:

	Changes in Discount Rate 2017		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net pension liability	\$ 881,886	\$ 294,807	\$ (201,586)

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - ROVER

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

Plan Description

The Registrar of Voters Employees' Retirement System (the System) is a cost-sharing, multiple-employer defined benefit pension plan, and is controlled and administered by a separate board of trustees.

All regular employees under the age of 55 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 60 with at least 10 years of creditable service, or at or after age 55 with at least 20 years of credited service, or at any age with at least 30 years of creditable service. Upon retirement, members are entitled to a basic retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-salary. If retirement occurs with less than 20 years of service, the basic benefit stated above is reduced 3% for each year that retirement precedes age 65.

Final-average salary is the employee's average salary over the 36 consecutive of joined months that produce the highest average. Employees who terminate with at least 12 years of service and who do not withdraw their employee contributions may retire at or after age 60, or at or after age 55 with at least 20 years of service at termination, and receive the benefit accrued to their date of termination, reduced as indicated, if applicable. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Registrar of Voters Employees' Retirement System of Louisiana, Post Office Box 57, Jennings, Louisiana 70546.

At December 31, 2017, the Police Jury reported a liability of \$30,052 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 entities, actuarially determined. At June 30, 2017, the Police Jury's proportion was .136903%.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$5,758, less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$318. At December 31, 2017, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 5,587
Changes of assumptions	2,887	971
Net difference between projected and actual earnings on pension plan investments	3,380	-
Changes in proportion and differences between Jury contributions and proportionate share of contributions	74	896
Jury contributions subsequent to the measurement date	<u>2,250</u>	<u>-</u>
Total	<u>\$ 8,591</u>	<u>\$ 7,454</u>

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - ROVER (continued)

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

\$2,250 reported as deferred outflows of resources related to pensions resulting from the Jury contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2018	\$	(382)
2019		1,019
2020		(299)
2021		(1,451)

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expense
Expected remaining service lives	5 years
Projected salary increase	6.00% (3.50% Merit/2.50% Inflation)
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Mortality rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 13 – PLAN DESCRIPTION AND BENEFITS – ROVER (continued)

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

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.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2017, are summarized in the following table:

Asset Class	Expected Rates of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Domestic equities	40%	7.50%	3.00%
International equities	15%	8.50%	1.28%
Domestic fixed income	20%	2.50%	.50%
International fixed income	10%	3.50%	.35%
Alternative investments	5%	6.24%	.31%
Cash and cash equivalents	10%	4.50%	.45%
Totals	100%		5.89%
Inflation			2.50%
Expected real rate of return			8.39%

Discount Rate. 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 to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Changes in Discount Rate 2017		
	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net pension liability	\$ 45,933	\$ 30,052	\$ 16,383

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - LDARS

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

Plan Description

The Louisiana District Attorneys' Retirement System (the System) State of Louisiana is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. 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 the 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 System's board of trustees.

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 creditable service and are at least age 60, or if they have 23 or more years of creditable 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 final-average compensation.

The fund is financed by employee and employer contributions established by state statute. Employee contributions are 8% of salary for active members. Employer contributions are actuarially determined and were 0% of salary for the year ended December 31, 2017. In addition, the fund receives revenue-sharing funds as appropriated by the legislature and ad valorem taxes as determined by the Public Retirement Systems' Actuarial Committee up to a maximum of .2% of the ad valorem taxes shown to be collected. According to state statute, in the event that the contributions from ad valorem taxes and revenue-sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Systems' Actuarial Committee. During the year ended June 30, 2017, the System's actuarial valuation used the Aggregate Actuarial Cost Method based on earnings which does not identify and separately amortize unfunded actuarial liabilities. The actuarial value of assets is based on the market value of investment securities adjusted to smooth realized and unrealized capital gains over a three-year period. The actuarial assumptions include a 6.75% investment rate of return. Cost-of-living adjustments are based on specific target ratios being met and excess interest earning available to fund a benefit increase.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - LDARS (continued)

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

The System issues an annual, publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802.

At December 31, 2017, the Jury reported a liability of \$3,662 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 Jury's proportion of the net pension liability was based on a projection of the Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the Jury's proportion was .013576%.

For the year ended December 31, 2017, the Jury recognized pension expense of \$1,174, less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$148. At December 31, 2017, the 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	\$ -	\$ 963
Changes of assumptions	1,641	432
Net difference between projected and actual earnings on pension plan investments	1,470	-
Changes in proportion and differences between Jury contributions and proportionate share of contributions	-	563
Jury contributions subsequent to the measurement date	<u>360</u>	<u>-</u>
Total	<u>\$ 3,471</u>	<u>\$ 1,958</u>

\$360 reported as deferred outflows of resources related to pensions resulting from the Jury contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ (54)
2019	670
2020	267
2021	18
2022	86
Thereafter	167

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - LDARS (continued)

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

Actuarial assumptions. The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2017
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expense
Expected remaining service lives	7 years
Projected salary increase	5.50% (3.00% merit/2.50% inflation)
Cost of living adjustments	Only those previously granted
Mortality	The RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) for employees, annuitants, and beneficiaries. The RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females) for disabled annuitants.

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.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2017, are summarized in the following table:

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%	
Cash	0.48%	0.50%	
System total	<u>100.00%</u>		6.56%
Inflation			<u>2.50%</u>
Expected arithmetic nominal return			<u>9.06%</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - PLAN DESCRIPTION AND BENEFITS - LDARS (continued)

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

Discount Rate. 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 to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Changes in Discount Rate 2017		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	5.75%	6.75%	7.75%
Net Pension Liability	\$ 10,464	\$ 3,662	\$ (2,118)

NOTE 14 - RISK MANAGEMENT

The Police Jury is at risk for property damage, liability, and theft, which are covered by insurance policies.

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS

The Police Jury provides medical, dental, vision, and life insurance benefits to eligible retirees and their spouses. The Police Jury pays 100% participant contribution for elected coverage. Benefits are provided for life. All active employees who retire directly from the Policy Jury and meet eligibility criteria may participate. Subsequently, the plan was revised to no longer offer dependent benefits to those employees hired on or after January 1, 2016.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (continued)

PLAN PROVISIONS

Medical Benefits

Eligibility Hired prior to January 1, 2007: Retirement at the earlier of (a) age 65 with 7 years of service; (b) age 60 with 10 years of service; (c) age 55 with 25 years of service; (d) 30 years of service, without regard to age.

Hired on or after January 1, 2007: Retirement at the earlier of (a) age 67 with 7 years of service; (b) age 62 with 10 years of service, or; (c) age 55 with 30 years of service.

Post-retirement contributors The retiree does not contribute.

Medical plan benefit Coverage continues for the life of the retiree and surviving spouse. A Medicare supplement plan becomes available at Medicare eligibility.

Other Benefits

Life insurance coverage is provided to the eligible retiree and spouse. The retiree death benefit is \$40,000, and the spouse death benefit is \$20,000. Dental and vision coverage is also provided to the retiree and spouse. These benefits are for life and at no cost to the retiree.

Change in Plan Provisions

For employees hired on or after January 1, 2016, spouse coverages will not be available.

METHODS AND ASSUMPTIONS

Actuarial method Projected Unit Cost Method

Service Cost Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each employee's service between date of hire and date of expected termination.

Accumulated post-retirement benefit obligation The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.

Discount rate 4.00% (1.00% real rate of return plus 3.00% for inflation)

Average per capita claim cost Determined as of January 1, 2016:

Age	Medical	Age	Medical	Age	Medical	Age	Medical
50	\$ 9,879	51	\$ 10,126	52	\$ 10,379	53	\$ 10,639
54	\$ 10,905	55	\$ 11,177	56	\$ 11,457	57	\$ 11,743
58	\$ 12,037	59	\$ 12,338	60	\$ 12,646	65	\$ 2,088
70	\$ 2,476	75	\$ 2,827	80	\$ 2,960		

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (continued)

METHODS AND ASSUMPTIONS (continued)

The per capita cost for 65 and later is the annual premium for the Medicare supplement plan. The dental/vision annual per capita cost is assumed to be \$414.72.

<i>Health care cost trend</i>	Level 5.00% for medical and level 2.00% for dental/vision.		
<i>Salary increase rate</i>	None assumed.		
<i>Mortality</i>	RP-2014 Total Table with Projection MP-2015.		
<i>Turnover</i>	Rates varying by age. Sample rates:		
	<u>Age 25</u>	<u>Age 40</u>	<u>Age 55</u>
	15.00%	6.00%	0.00%
<i>Disability</i>	None assumed.		
<i>Retirement rates</i>	Rates vary by age, with an average retirement age of 60.		
<i>Retiree contributions</i>	None.		

Data Assumptions

<i>Age difference/% married</i>	Males are assumed to be 3 years older than females, 50% married.
<i>Coverage</i>	100% of all retirees who currently have healthcare coverage will continue with the same coverage. 100% of all actives 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.
<i>Valuation methodology and terminology</i>	We have used GASB accounting methodology to determine the post-retirement medical benefit obligations.
<i>Amortization period</i>	The period used to determine amortization costs for the initial Unfunded Actuarial Accrued Liability is a level period for 30 years.
<i>Valuation date</i>	January 1, 2017

The adoption date for the GASB OPEB Accounting Standard was for the fiscal year beginning January 1, 2016. The following shows the Annual Required Contribution (ARC), Annual OPEB Cost (AOC), and the projected December 31, 2016, Net OPEB Obligation (NOO).

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (continued)

METHODS AND ASSUMPTIONS (continued)

Annual Required Contribution (ARC)

The Accounting Standard sets the method for determining the Police Jury's post-employment benefits accrual, the Annual Required Contribution (ARC), to include both the value of the benefits earned during the year (Service Cost) and an amortization of the Unfunded Actuarial Accrued Liability. Accordingly, the following table shows the Police Jury's 2017 fiscal year ARC based on a 30-year amortization of the Unfunded Actuarial Accrued Liability as a level dollar amount.

	Fiscal Year Ending December 31,	
	2017	2016
	<u>2017</u>	<u>2016</u>
Service Cost	\$ 145,777	\$ 145,777
Unfunded Actuarial Accrued Liability Amortization	146,610	146,610
Annual Required Contribution (ARC)	<u>\$ 292,387</u>	<u>\$ 292,387</u>

Net Post-Employment Benefit Obligation (Asset). The table below shows the Tensas Parish Police Jury's Net Other Post-Employment Benefit (OPEB) Obligation (Asset) for fiscal years ending December 30:

	<u>2017</u>	<u>2016</u>
1. Beginning net OPEB obligation	\$ 201,004	\$ -
2. Annual required contribution	\$ 292,387	\$ 292,387
3. Interest on net OPEB obligation	8,040	-
4. ARC adjustment	<u>(11,394)</u>	<u>(91,383)</u>
5. OPEB cost	\$ 289,033	\$ 201,004
6. Contribution	(98,990)	-
7. Current year retiree premium	-	-
8. Change in net OPEB obligation	<u>\$ 190,043</u>	<u>\$ 201,004</u>
9. Ending net OPEB obligation	<u>\$ 391,047</u>	<u>\$ 201,004</u>

The following table shows the Tensas Parish Police Jury's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded (PEB) liability for last year and this year:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
December 31, 2017	\$ 289,033	34.25%	\$ 391,047
December 31, 2016	\$ 292,387	31.25%	\$ 201,004

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (continued)

Funded Status and Funding Progress. In the fiscal year ending December 31, 2017, the Tensas Parish Police Jury made no contributions to its post-employment benefits plan. The Plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of December 31, 2017, the end of the fiscal year, the Actuarial Accrued Liability (AAL) was \$146,610, which is defined as that portion, as determined by a particular actuarial cost method (the Tensas Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which are not provided by normal cost.

	<u>2017</u>	<u>2016</u>
Actuarial Accrued Liability (AAL)	\$ 2,534,481	\$ 2,534,481
Actuarial value of plan assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 2,534,481</u>	<u>\$ 2,534,481</u>
Funded ratio (actuarial valuation assets/AAL)	0.00%	0.00%
Covered payroll (active plan members)	\$ 641,990	\$ 641,990
UAAL as a percentage of covered payroll	394.79%	394.79%

Below is a summary of OPEB costs and contributions for the last two fiscal calendar years:

	<u>OPEB Costs and Contributions</u>	
	<u>FY 2016</u>	<u>FY 2017</u>
OPEB Cost	<u>\$ 292,387</u>	<u>\$ 289,033</u>
Contribution	\$ (91,383)	\$ (98,990)
Retiree premium	-	-
Total contribution and premium	<u>\$ (91,383)</u>	<u>\$ (98,990)</u>
Change in net OPEB obligation	<u>\$ 201,004</u>	<u>\$ 190,043</u>
% of contribution to cost	31.25%	34.25%
% of contribution plus premium to cost	0.00%	0.00%

NOTE 16 - PRIOR PERIOD ADJUSTMENT

A summary of net position adjustments at December 31, 2017, is as follows:

	<u>As Previously Stated</u>	<u>As Restated</u>	<u>Effect of Correction</u>
Statement of revenues, expenditures, and changes in fund balance	\$ -	\$ -	\$ -
Cash and cash equivalents	\$ 989,776	\$ 1,061,944	\$ 72,168
Fund balance	\$ 989,776	\$ 1,061,944	\$ 72,168

SECTION IV

ADDITIONAL REQUIRED SUPPLEMENTARY INFORMATION

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULES

General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets

General Fund – The general fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

Road Fund – This fund accounts for funds used to maintain roads.

Ambulance Fund – This fund accounts for funds used to operate the ambulance services.

Health Unit Rededicated Fund – This fund accounts for funds used to operate the health unit.

Waste Collection Fund – This fund accounts for the operation of the landfill from unrestricted revenues.

Landfill Site Fund – This fund accounts for the operation of the Parish landfill. Revenues are provided by fees from customers dumping in the landfill.

Library Fund – This fund accounts for the operation of the Tensas Parish Library, financed by a specific Parish-wide ad valorem tax and the related state revenue sharing and state grants.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes:				
Ad valorem	\$ 1,002,096	\$ 550,632	\$ 917,125	\$ 366,493
Other taxes	183,067	162,723	164,311	1,588
Licenses and permits	72,957	58,922	60,542	1,620
Intergovernmental revenues:				
State funds:				
State revenue-sharing	13,172	15,198	15,198	-
Fire insurance rebates	22,038	19,761	-	(19,761)
State grants	25,400	321,765	343,467	21,702
Investment income	212	296	296	-
Other revenue	76,340	57,937	77,615	19,678
Total revenue	\$ 1,395,282	\$ 1,187,234	\$ 1,578,554	\$ 391,320
EXPENDITURES				
General government:				
Legislative	\$ 320,909	\$ 210,455	\$ 209,377	\$ 1,078
Judicial	189,547	175,444	176,376	(932)
Elections	31,416	33,665	34,162	(497)
Finance and administrative	327,996	258,051	260,201	(2,150)
Other general government	183,028	207,117	273,650	(66,533)
Public safety	77,929	73,492	69,054	4,438
Health and welfare	5,827	5,326	5,326	-
Culture and recreation	-	186	1,898	(1,712)
Loan payments	303,617	302,421	302,421	-
Capital outlay	-	321,765	333,594	(11,829)
Total expenditures	\$ 1,440,269	\$ 1,587,922	\$ 1,666,059	\$ (78,137)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (44,987)	\$ (400,688)	\$ (87,505)	\$ 313,183
OTHER FINANCING (USES)				
Loan proceeds	\$ 452,000	\$ -	\$ -	\$ -
Transfers in	972,900	686,723	696,740	10,017
Transfers out	(616,732)	(710,960)	(718,860)	(7,900)
Total other financing	\$ 808,168	\$ (24,237)	\$ (22,120)	\$ 2,117
Net change in fund balance	\$ 763,181	\$ (424,925)	\$ (109,625)	\$ 315,300
Fund balance, beginning of year (cash basis)	500,780	500,780	500,780	-
Fund balance, end of year (cash basis)	\$ 1,263,961	\$ 75,855	\$ 391,155	\$ 315,300

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

ROAD FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes:				
Sales tax	\$ 354,001	\$ 354,001	\$ 472,398	\$ 118,397
Intergovernmental revenues:				
State funds:				
Parish transportation funds	62,212	62,212	79,187	16,975
Other state grants	-	-	25,900	25,900
Investment income	92	92	35	(57)
Other revenue	70,170	70,170	83,377	13,207
Total revenue	<u>\$ 486,475</u>	<u>\$ 486,475</u>	<u>\$ 660,897</u>	<u>\$ 174,422</u>
EXPENDITURES				
General government:				
Finance and administrative	\$ 43,400	\$ 163,851	\$ 96,101	\$ 67,750
Public works	701,736	581,285	533,879	47,406
Capital outlay	-	-	25,858	(25,858)
Total expenditures	<u>\$ 745,136</u>	<u>\$ 745,136</u>	<u>\$ 655,838</u>	<u>\$ 89,298</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (258,661)</u>	<u>\$ (258,661)</u>	<u>\$ 5,059</u>	<u>\$ 263,720</u>
OTHER FINANCING (USES)				
Transfers in	\$ -	\$ (23,200)	\$ (35,730)	\$ 12,530
	<u>\$ -</u>	<u>\$ (23,200)</u>	<u>\$ (35,730)</u>	<u>\$ 12,530</u>
Net change in fund balance	\$ (258,661)	\$ (281,861)	\$ (30,671)	\$ 276,250
Fund balance, beginning of year (cash basis)	<u>19,550</u>	<u>19,550</u>	<u>19,550</u>	<u>-</u>
Fund balance, end of year (cash basis)	<u>\$ (239,111)</u>	<u>\$ (262,311)</u>	<u>\$ (11,121)</u>	<u>\$ 276,250</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

AMBULANCE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes:				
Sales tax	\$ 383,366	\$ 383,366	\$ 522,233	\$ 138,867
Investment income	32	32	125	93
Total revenue	<u>\$ 383,398</u>	<u>\$ 383,398</u>	<u>\$ 522,358</u>	<u>\$ 138,960</u>
EXPENDITURES				
General government:				
Finance and administrative	\$ 14,260	\$ 14,260	\$ 12,711	\$ 1,549
Health and welfare	404,426	404,426	404,245	181
Total expenditures	<u>\$ 418,686</u>	<u>\$ 418,686</u>	<u>\$ 416,956</u>	<u>\$ 1,730</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (35,288)</u>	<u>\$ (35,288)</u>	<u>\$ 105,402</u>	<u>\$ 140,690</u>
OTHER FINANCING (USES)				
Transfers out	\$ (95,200)	\$ (95,200)	\$ (113,300)	\$ (18,100)
	<u>\$ (95,200)</u>	<u>\$ (95,200)</u>	<u>\$ (113,300)</u>	<u>\$ (18,100)</u>
Net change in fund balance	\$ (130,488)	\$ (130,488)	\$ (7,898)	\$ 122,590
Fund balance, beginning of year (cash basis)	<u>7,926</u>	<u>7,926</u>	<u>7,926</u>	<u>-</u>
Fund balance, end of year (cash basis)	<u>\$ (122,562)</u>	<u>\$ (122,562)</u>	<u>\$ 28</u>	<u>\$ 122,590</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

WASTE COLLECTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes:				
Sales tax	\$ 235,942	\$ 321,406	\$ 365,916	\$ 44,510
Fees, charges, and commissions	498,718	467,248	509,677	42,429
Investment income	29	3,954	46	(3,908)
Other revenue	-	-	-	-
Total revenue	<u>\$ 734,689</u>	<u>\$ 792,608</u>	<u>\$ 875,639</u>	<u>\$ 83,031</u>
EXPENDITURES				
General government:				
Finance and administrative	\$ 270,667	\$ 270,667	\$ 201,937	\$ 68,730
Public works	503,582	843,622	965,481	(121,859)
Total expenditures	<u>\$ 774,249</u>	<u>\$ 1,114,289</u>	<u>\$ 1,167,418</u>	<u>\$ (53,129)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (39,560)</u>	<u>\$ (321,681)</u>	<u>\$ (291,779)</u>	<u>\$ 29,902</u>
OTHER FINANCING (USES)				
Transfers in	\$ 110,200	\$ 110,200	\$ 110,200	\$ -
Total other financing	<u>\$ 110,200</u>	<u>\$ 110,200</u>	<u>\$ 110,200</u>	<u>\$ -</u>
Net change in fund balance	\$ 70,640	\$ (211,481)	\$ (181,579)	\$ 29,902
Fund balance, beginning of year (cash basis)	<u>22,157</u>	<u>22,157</u>	<u>22,157</u>	<u>-</u>
Fund balance, end of year (cash basis)	<u>\$ 92,797</u>	<u>\$ (189,324)</u>	<u>\$ (159,422)</u>	<u>\$ 29,902</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

LANDFILL SITE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Investment income	\$ -	\$ -	\$ 43,336	\$ 43,336
Total revenue	\$ -	\$ -	\$ 43,336	\$ 43,336
<u>EXPENDITURES</u>				
General government:				
Finance and administrative	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ -	\$ -	\$ -	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ 43,336	\$ 43,336
<u>OTHER FINANCING (USES)</u>				
Transfers out	\$ -	\$ -	\$ -	\$ -
Total other financing	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ -	\$ -	\$ 43,336	\$ 43,336
Fund balance, beginning of year (cash basis)	1,061,944	1,061,944	1,061,944	-
Fund balance, end of year (cash basis)	\$ 1,061,944	\$ 1,061,944	\$ 1,105,280	\$ 43,336

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL (NONGAPP BASIS)

LIBRARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes:				
Sales tax	\$ 248,449	\$ 288,449	\$ 251,729	\$ (36,720)
Intergovernmental revenues:				
State funds:				
State revenue sharing	8,647	8,647	10,015	1,368
Fees, charges, and commissions	1,760	1,760	-	(1,760)
Investment income	721	721	2,292	1,571
Other revenue	-	-	1,945	1,945
Total revenue	<u>\$ 259,577</u>	<u>\$ 299,577</u>	<u>\$ 265,981</u>	<u>\$ (33,596)</u>
<u>EXPENDITURES</u>				
General government:				
Finance and administrative	\$ 19,436	\$ 19,436	\$ 22,785	\$ (3,349)
Culture and recreation	220,501	218,816	202,459	16,357
Capital outlay	14,678	16,363	17,100	(737)
Total expenditures	<u>\$ 254,615</u>	<u>\$ 254,615</u>	<u>\$ 242,344</u>	<u>\$ 12,271</u>
Net change in fund balance	\$ 4,962	\$ 44,962	\$ 23,637	\$ (21,325)
Fund balance, beginning of year (cash basis)	<u>390,182</u>	<u>390,182</u>	<u>390,182</u>	<u>-</u>
Fund balance, end of year (cash basis)	<u>\$ 395,144</u>	<u>\$ 435,144</u>	<u>\$ 413,819</u>	<u>\$ (21,325)</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2017

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the cash basis, and variances between the final budget and the actual data.

2. Budget Adoption and Amendments

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are advertised in the official journal. During its December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the Parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury. The budgets are then adopted during the Police Jury's regular December meeting.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions, the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

Appropriations lapse at year end and must be reappropriated for the following year to be expended. All changes in the budgets must be approved by the Board and the grantor agencies.

3. Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2017

Budgetary Comparison Schedule (continued)

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the General Fund and each major special revenue fund, except the Landfill Site Fund, in which there were no changes.

	<u>General Fund</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Waste Collection Fund</u>	<u>Landfill Site Fund</u>	<u>Library Fund</u>
Net change budget basis	\$ (109,625)	\$ (30,671)	\$ (7,898)	\$ (181,579)	\$ 43,336	\$ 23,637
Increase (decrease):						
Net adjustments for revenue accruals	(67,431)	23,394	14,690	(35,470)	-	22,252
Net adjustments for expenditure accruals	<u>(21,177)</u>	<u>(32,587)</u>	<u>(1,538)</u>	<u>(179,823)</u>	<u>-</u>	<u>3,807</u>
Net change GAAP basis	<u>\$ (198,233)</u>	<u>\$ (39,864)</u>	<u>\$ 5,254</u>	<u>\$ (396,872)</u>	<u>\$ 43,336</u>	<u>\$ 49,696</u>

See Independent Auditor's Report.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

SCHEDULE OF THE POLICE JURY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police Jury's proportion of the net pension liability (asset)	.14%	.16%	.15%
Police Jury's proportionate share of the net pension liability (asset)	\$ 294,807	\$ 422,722	\$ 41,141
Police Jury's covered-employee payroll	\$ 682,869	\$ 920,769	\$ 968,448
Police Jury's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	43.17%	45.91%	4.25%
Plan fiduciary net position as a percentage of the total pension liability	94.15%	92.23%	99.15%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE POLICE JURY'S CONTRIBUTIONS

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually-required contribution	\$ 96,689	\$ 65,734	\$ 133,511
Contributions in relation to the contractually- required contribution	<u>(96,689)</u>	<u>(65,734)</u>	<u>(133,511)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Police Jury's covered-employee payroll	\$ 780,128	\$ 682,869	\$ 920,769
Contributions as a percentage of covered- employee payroll	12.39%	9.63%	14.50%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE POLICE JURY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

LOUISIANA REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police Jury's proportion of the net pension liability (asset)	.14%	.14%	.14%
Police Jury's proportionate share of the net pension liability (asset)	\$ 30,052	\$ 38,734	\$ 33,852
Police Jury's covered-employee payroll	\$ 18,750	\$ 18,750	\$ 18,750
Police Jury's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	160.28%	206.58%	180.54%
Plan fiduciary net position as a percentage of the total pension liability	80.51%	73.98%	76.86%

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See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE POLICE JURY'S CONTRIBUTIONS

LOUISIANA REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 3,469	\$ 3,984	\$ 4,383
Contributions in relation to the contractually required contribution	<u>(3,469)</u>	<u>(3,984)</u>	<u>(4,383)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Police Jury's covered-employee payroll	\$ 18,750	\$ 18,750	\$ 18,750
Contributions as a percentage of covered-employee payroll	18.50%	21.25%	23.38%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE POLICE JURY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

LOUISIANA STATE DISTRICT ATTORNEY'S RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police Jury's proportion of the net pension liability (asset)	.014%	.015%	.016%
Police Jury's proportionate share of the net pension liability (asset)	\$ 3,662	\$ 2,847	\$ 884
Police Jury's covered-employee payroll	\$ 9,000	\$ 9,000	\$ 9,000
Police Jury's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	40.69%	31.63%	9.82%
Plan fiduciary net position as a percentage of the total pension liability	93.87%	95.09%	98.56%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE POLICE JURY'S CONTRIBUTIONS

LOUISIANA STATE DISTRICT ATTORNEY'S RETIREMENT SYSTEM OF LOUISIANA

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually-required contribution	\$ 360	\$ 157	\$ 525
Contributions in relation to the contractually- required contribution	<u>(360)</u>	<u>(157)</u>	<u>(525)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Police Jury's covered-employee payroll	\$ 9,000	\$ 9,000	\$ 9,000
Contributions as a percentage of covered- employee payroll	4.00%	1.74%	5.83%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN

YEAR ENDED DECEMBER 31, 2017

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
12-31-2016	\$ -	\$ 2,534,481	\$ 2,534,481	-	\$ 641,990	394.79%
12-31-2017	\$ -	\$ 2,534,481	\$ 2,534,481	-	\$ 641,990	394.79%

See Independent Auditor's Report.

SECTION V

OTHER SUPPLEMENTARY INFORMATION

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD

FOR THE YEAR ENDED DECEMBER 31, 2017

Agency Head Name: Larry Foster, President

Salary	\$	24,000
Benefits - insurance		10,115
Benefits - other (Social Security match)		1,488
Benefits - other (Medicare match)		<u>348</u>
Total	\$	<u>35,951</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SUPPLEMENTARY INFORMATION SCHEDULES

AS OF DECEMBER 31, 2017

COMPENSATION PAID

The schedule of compensation paid to Police Jurors and other board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

POLICE JURORS

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, Jurors receive monthly compensation at varying rates, but not exceeding the maximum provided by state law.

COMMISSIONERS - GRAVITY DRAINAGE DISTRICTS

In accordance with Louisiana Revised Statute (LSR-R.S.) 38:1794, each board member may receive per diem of up to \$60 for each day in the conduct of official business of the District, not to exceed 36 days each year.

The board of commissioners of Gravity District No. 1 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 2 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 3 has elected to receive \$50 per diem per meeting.

COMMISSIONERS - LIBRARY BOARD OF CONTROL

The commissioners of the Library Board of Control receive no compensation from the library.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SUPPLEMENTARY INFORMATION SCHEDULES

SCHEDULE OF COMPENSATION PAID POLICE JURORS AND OTHERS

FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Police Jurors</u>	
Larry Foster	\$ 24,000
William Trevillion	19,200
Roderick Webb	19,200
Thomas Crigler	19,200
Danny C. Clark	19,200
Bubba Rushing	19,200
James Davis, Jr.	19,200
Totals	<u>\$ 139,200</u>
 <u>Gravity Drainage District No. 1</u>	
Bubba Rushing	\$ 375
Woodrow Wiley, Jr.	75
Walter Butler	300
James Davis, Jr.	375
Will Manning	300
Totals	<u>\$ 1,425</u>
 <u>Gravity Drainage District No. 2</u>	
Bill Crigler	\$ 225
Ben Britton	300
Brian Kifer	300
LaVance Herring	300
Ben Burnside, Jr.	225
Totals	<u>\$ 1,350</u>
 <u>Gravity Drainage District No. 3</u>	
Clarence Evans	\$ 375
David Miller	375
Bobby Conner	75
Russell Ratcliff	225
James Arceneaux	375
Totals	<u>\$ 1,425</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SUPPLEMENTARY INFORMATION SCHEDULES

SCHEDULE OF INSURANCE COVERAGE

FOR THE YEAR ENDED DECEMBER 31, 2017

Below is a listing of insurance policies in force as of December 31, 2017:

Policy Type	Number	Company	Coverage	Expiration
1. General liability	11N17540	Travelers		8/1/2017
General aggregate			\$3,000,000	
Each occurrence limit			\$1,000,000	
Products - completed operations			\$3,000,000	
Damages to premises rented			\$100,000	
2. Crime - directors	6303127R869	Travelers		8/1/2017
Employee theft			\$200,000	
Forgery			\$25,000	
Robbery			\$25,000	
3. Workmen's compensation	WCV-0081649-05	Risk Management		1/1/2017
Each accident			\$1,000,000	
Disease - each employee			\$1,000,000	
Disease - policy limit			\$1,000,000	
4. Property insurance	6303127R869	Travelers		8/1/2017
Safety building			\$3,400,000	
Courthouse			\$5,025,000	
Annex			\$602,000	
Jail			\$562,000	
Vehicles and equipment			\$Various	
5. Auto insurance	9157P83A	Travelers		8/1/2017
Each occurrence limit			\$1,000,000	
6. Scheduled Bond insurance	104850194	Travelers		8/1/2017
Each occurrence limit			\$200,000	

See Independent Auditor's Report.

**COMBINING NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2017

Nonmajor Special Revenue Funds

Debt Service Fund – accounts for the payment of interest and principal of long-term debt.

Drainage Districts No. 1, No. 2, and No. 3 – accounts for drainage projects within the boundaries of each respective District. A specific ad valorem tax and the related state revenue sharing in each District provide financing.

Ambulance Rededication Fund – This fund accounts for excess funds rededicated out of the Ambulance Fund for the construction related to courthouse facilities. Funds this year are being spent for the construction of the safety building which will house the Police Jury, Sheriff, and related public safety entities.

Criminal Court – created by Section 571.11 of Title 15 of the Louisiana Revised Statute of 1950, which provided that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to Parish treasurer and deposited into a special Criminal Court Fund to be used to pay expenses of the criminal court system of the Parish. Expenditures are made from the fund on motion of the district attorney and approved by the district judges. The statute requires that one-half of the fund balance remaining at December 31 of each year be transferred to the Parish General Fund.

Emergency Preparedness – accounts for the operation of the Parish-wide civil defense program. Financing is provided by a grant from the Federal Emergency Management Agency.

Health Unit Fund – This fund accounts for funds used to operate the health unit.

Fire Protection Fund – This fund accounts for the activities relating to the collection and remittance of the one-quarter of one percent sales tax approved by the voters for a period of ten years. The net proceeds of the tax (after cost of collections) are dedicated for the purpose of establishing and maintaining a Parish-wide fire protection district. The net proceeds are remitted to the Fire Protection District No. 1 of Tensas Parish for subsequent disbursement by the board of commissioners for fire protection in the Parish.

Economic Development Fund – This fund accounts for economic development activities.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET - BY FUND TYPE

DECEMBER 31, 2017

	Special Revenue	Debt Service	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 764,739	\$ -	\$ 764,739
Receivables	259,848	-	259,848
Restricted assets	-	36,378	36,378
Due from other funds	26,607	-	26,607
Total assets	<u>\$ 1,051,194</u>	<u>\$ 36,378</u>	<u>\$ 1,087,572</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Bank overdraft	\$ 14,328	\$ -	\$ 14,328
Accounts, salaries, and other payables	76,815	-	76,815
Total liabilities	<u>\$ 91,143</u>	<u>\$ -</u>	<u>\$ 91,143</u>
Fund balances:			
Reserved for:			
Debt service	\$ -	\$ 36,378	\$ 36,378
Unassigned, reported in:			
Special revenue	960,051	-	960,051
Total fund balances	<u>\$ 960,051</u>	<u>\$ 36,378</u>	<u>\$ 996,429</u>
Total liabilities and fund balances	<u>\$ 1,051,194</u>	<u>\$ 36,378</u>	<u>\$ 1,087,572</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY FUND TYPE

DECEMBER 31, 2017

	Special Revenue	Debt Service	Total
<u>REVENUES</u>			
Taxes:			
Ad valorem	\$ 341,763	\$ -	\$ 341,763
Sales tax	247,896	-	\$ 247,896
Intergovernmental revenues:			
State funds:			
State revenue-sharing	13,350	-	13,350
Other state grants	18,474	-	18,474
Fees, charges, and commissions	175,367	-	175,367
Fines and forfeitures	86,287	-	86,287
Investment income	3,426	141	3,567
Other revenues	237,787	-	237,787
Total revenue	<u>\$ 1,124,350</u>	<u>\$ 141</u>	<u>\$ 1,124,491</u>
<u>EXPENDITURES</u>			
General government:			
Judicial	\$ 271,060	\$ -	\$ 271,060
Finance and administrative	75,805	-	75,805
Public safety	146,467	-	146,467
Public works	81,339	-	81,339
Health and welfare	94,902	-	94,902
Economic development	306,898	-	306,898
Debt service:			
Principal retirement	14,149	58,000	72,149
Interest and bank charges	28,631	11,500	40,131
Capital outlay	30,565	-	30,565
Total expenditures	<u>\$ 1,049,816</u>	<u>\$ 69,500</u>	<u>\$ 1,119,316</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ 74,534</u>	<u>\$ (69,359)</u>	<u>\$ 5,175</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	\$ 282,970	\$ 71,740	\$ 354,710
Transfers (out)	(293,760)	-	(293,760)
Total other financing sources	<u>\$ (10,790)</u>	<u>\$ 71,740</u>	<u>\$ 60,950</u>
Net change in fund balances	\$ 63,744	\$ 2,381	\$ 66,125
Fund balances, beginning of year	896,307	33,997	930,304
Fund balances, end of year	<u>\$ 960,051</u>	<u>\$ 36,378</u>	<u>\$ 996,429</u>

See Independent Auditor's Report.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

EXHIBIT 4

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2017

	Drainage District No. 1	Drainage District No. 2	Drainage District No. 3	Ambulance Rededication Fund	Criminal Court Fund	Health Unit Fund	Economic Development Fund	Health Unit Rededicated Fund	Emergency Preparedness Fund	Fire Protection Fund	Total
ASSETS											
Cash and cash equivalents	\$ 164,397	\$ 296,649	\$ 151,946	\$ 17,964	\$ -	\$ 64,125	\$ 59,097	\$ 96	\$ -	\$ 10,465	\$ 764,739
Receivables	25,121	31,950	13,583	-	4,223	153,174	21,198	-	-	10,599	259,848
Due from other funds	-	-	-	-	-	-	17,738	-	-	8,869	26,607
Total assets	<u>\$ 189,518</u>	<u>\$ 328,599</u>	<u>\$ 165,529</u>	<u>\$ 17,964</u>	<u>\$ 4,223</u>	<u>\$ 217,299</u>	<u>\$ 98,033</u>	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ 29,933</u>	<u>\$ 1,051,194</u>
LIABILITIES AND FUND BALANCES											
Liabilities:											
Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ 12,365	\$ -	\$ -	\$ -	\$ 1,963	\$ -	\$ 14,328
Accounts, salaries, and other payables	-	-	-	-	12,397	975	7,616	-	3,852	51,975	76,815
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,762</u>	<u>\$ 975</u>	<u>\$ 7,616</u>	<u>\$ -</u>	<u>\$ 5,815</u>	<u>\$ 51,975</u>	<u>\$ 91,143</u>
Fund balances:											
Committed - special revenue projects (deficit)	\$ 189,518	\$ 328,599	\$ 165,529	\$ 17,964	\$ (20,539)	\$ 216,324	\$ 90,417	\$ 96	\$ (5,815)	\$ (22,042)	\$ 960,051
Total fund balances	<u>\$ 189,518</u>	<u>\$ 328,599</u>	<u>\$ 165,529</u>	<u>\$ 17,964</u>	<u>\$ (20,539)</u>	<u>\$ 216,324</u>	<u>\$ 90,417</u>	<u>\$ 96</u>	<u>\$ (5,815)</u>	<u>\$ (22,042)</u>	<u>\$ 960,051</u>
Total liabilities and fund balances	<u>\$ 189,518</u>	<u>\$ 328,599</u>	<u>\$ 165,529</u>	<u>\$ 17,964</u>	<u>\$ 4,223</u>	<u>\$ 217,299</u>	<u>\$ 98,033</u>	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ 29,933</u>	<u>\$ 1,051,194</u>

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

EXHIBIT 5

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2017

	Drainage District No. 1	Drainage District No. 2	Drainage District No. 3	Ambulance Rededication Fund	Criminal Court Fund	Health Unit Fund	Economic Development Fund	Health Unit Rededicated Fund	Emergency Preparedness Fund	Fire Protection Fund	Total
REVENUES											
Taxes:											
Ad valorem	\$ 53,130	\$ 67,128	\$ 52,478	\$ -	\$ -	\$ 169,027	\$ -	\$ -	\$ -	\$ -	\$ 341,763
Sales tax	-	-	-	-	-	-	247,896	-	-	-	247,896
Intergovernmental revenues:											
State funds:											
State revenue-sharing	1,794	3,802	852	-	-	6,902	-	-	-	-	13,350
Other state grants	-	-	-	-	-	-	2,962	-	15,512	-	18,474
Fees, charges, and commissions	-	-	-	-	-	-	2,455	-	172,912	-	175,367
Fines and forfeitures	-	-	-	-	86,287	-	-	-	-	-	86,287
Investment income	1,025	603	584	20	10	937	147	4	9	87	3,426
Other revenue	-	-	-	-	4,800	99,877	133,110	-	-	-	237,787
Total revenue	\$ 55,949	\$ 71,533	\$ 53,914	\$ 20	\$ 91,097	\$ 276,743	\$ 386,570	\$ 4	\$ 188,433	\$ 87	\$ 1,124,350
EXPENDITURES											
General government:											
Judicial	\$ -	\$ -	\$ -	\$ -	\$ 271,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,060
Finance and administrative	3,471	3,171	2,818	24,037	-	739	13,839	1,526	20,402	5,802	75,805
Public safety	-	-	-	-	-	-	-	-	146,467	-	146,467
Public works	33,690	15,370	32,279	-	-	-	-	-	-	-	81,339
Health and welfare	-	-	-	-	-	94,902	-	-	-	-	94,902
Economic development	-	-	-	-	-	-	306,898	-	-	-	306,898
Debt service:											
Principal retirement	-	-	-	14,149	-	-	-	-	-	-	14,149
Interest expense	-	-	-	28,631	-	-	-	-	-	-	28,631
Capital outlay	-	-	-	-	-	-	-	30,565	-	-	30,565
Total expenditures	\$ 37,161	\$ 18,541	\$ 35,097	\$ 66,817	\$ 271,060	\$ 95,641	\$ 320,737	\$ 32,091	\$ 166,869	\$ 5,802	\$ 1,049,816
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES											
	\$ 18,788	\$ 52,992	\$ 18,817	\$ (66,797)	\$ (179,963)	\$ 181,102	\$ 65,833	\$ (32,087)	\$ 21,564	\$ (5,715)	\$ 74,534
OTHER FINANCING SOURCES (USES)											
Transfers in	\$ -	\$ -	\$ -	\$ 84,300	\$ 194,120	\$ -	\$ -	\$ 3,900	\$ -	\$ 650	\$ 282,970
Transfers (out)	(9,445)	(9,445)	(9,445)	-	-	(202,500)	(42,525)	-	(20,400)	-	(293,760)
Total other financing sources (uses)	\$ (9,445)	\$ (9,445)	\$ (9,445)	\$ 84,300	\$ 194,120	\$ (202,500)	\$ (42,525)	\$ 3,900	\$ (20,400)	\$ 650	\$ (10,790)
Net change in fund balances (deficit)	\$ 9,343	\$ 43,547	\$ 9,372	\$ 17,503	\$ 14,157	\$ (21,398)	\$ 23,308	\$ (28,187)	\$ 1,164	\$ (5,065)	\$ 63,744
FUND BALANCES - BEGINNING (deficit)	180,175	285,052	156,157	461	(34,696)	237,722	67,109	28,283	(6,979)	(16,977)	896,307
FUND BALANCES - ENDING (deficit)	\$ 189,518	\$ 328,599	\$ 165,529	\$ 17,964	\$ (20,539)	\$ 216,324	\$ 90,417	\$ 96	\$ (5,815)	\$ (22,042)	\$ 960,051

SECTION VI
**REPORTS ON INTERNAL
CONTROL AND COMPLIANCE**



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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**

Police Jurors
Tensas Parish Police Jury
St. Joseph, Louisiana

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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tensas 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 Tensas Parish Police Jury's basic financial statements, and have issued our report thereon dated June 4, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tensas 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 Tensas Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tensas 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant weaknesses.

Compliance and Other Matters

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

Tensas Parish Police Jury's Response to Findings

The Tensas Parish Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Tensas Parish Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in cursive script that reads "Silas Simmons, LLP".

Natchez, Mississippi
June 4, 2018

SCHEDULE OF FINDINGS

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SCHEDULE OF FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2017

SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|---------|
| 1. Type of auditor's report issued on the financial statements: | Adverse |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | No |
| 3. Material noncompliance relating to the financial statements? | No |

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA

SUPPLEMENTARY INFORMATION SCHEDULES
DECEMBER 31, 2017

STATUS OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Ref No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I - Internal Control and Compliance Material to the Financial Statements:
None

Section II - Internal Control and Compliance Material to Federal Awards:
None

Section III - Management Letter:
None

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND
CORRECTIVE ACTION PLAN**

FOR THE YEAR ENDED DECEMBER 31, 2017

Section I - Internal Control and Compliance Material to the Financial Statements:
None

Section II - Internal Control and Compliance Material to Federal Awards:
None

Section III - Management Letter:
None

SECTION VII
APPLYING AGREED-UPON PROCEDURES



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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Tensas Parish Police Jury and
the Louisiana Legislative Auditor:

We have performed the procedures attached, which were agreed to by the Tensas Parish Police Jury (Police Jury) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the year ended December 31, 2017. The Police Jury's management is responsible for those control and compliance 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 included in the attachment following this report.

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 control and compliance 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 control and compliance 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.

Silas Simmons, LLP

Natchez, Mississippi
June 4, 2018

TENSAS PARISH POLICE JURY

SUPPLEMENTAL SCHEDULE OF AGREED-UPON PROCEDURES AND FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2017

Written Policies and Procedures

1. Procedures: 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.
 - 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.
 - c) *Disbursements*, including processing, reviewing, and approving.
 - d) *Receipts*, including receiving, recording, and preparing deposits.
 - e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - 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.
 - 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.
 - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - 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.
 - j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Findings: We reviewed the written policies and procedures for the related functions listed above in the procedures. Through our review, we found that the Police Jury had no written policies and procedures in place for receipts, payroll/personnel, contracting, credit cards, travel and expense reimbursement, and ethics.

We found that the Town did have written policies and procedures for budgeting, purchasing, and disbursements, but the ones in place needed to be updated in order to be in accordance with the Statewide Agreed-Upon Procedures guideline.

Board

2. Procedures: 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.
 - b) 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).
 - c) Report whether the minutes referenced or included nonbudgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Findings: We obtained a copy of the Police Jury's minutes for the fiscal period. We reviewed the minutes to determine whether the governing board met on a frequency in accordance with the board's enabling legislation, charter, or equivalent document. We reviewed the minutes to determine whether they referenced or included monthly budget-to-actual comparisons and non-budgetary information for at least one meeting during the fiscal period.

During the above procedures, we noted that the minutes referenced budget-to-actual comparisons on a quarterly basis.

Bank Reconciliations

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

Findings: We prepared a list of bank accounts from the list management gave for bank confirmations.

No exceptions were noted during the above procedures.

4. Procedures: 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 five accounts). 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;
 - 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
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

Findings: We randomly selected eight of the Jury's 24 bank accounts and obtained the related bank statements and reconciliations for all months in the fiscal period. We reviewed the bank reconciliations to report whether they were prepared, included evidence that management or a board member had reviewed each statement, and included documentation that management has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

No exceptions were noted during the above procedures.

Collections

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

Findings: We reviewed a listing of cash/check/money order collection locations and management's representation to determine that the listing is complete.

No exceptions were noted during the above procedures.

6. Procedures: 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 five locations). 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.
- 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.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period.
- d) 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.
- e) 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.

Findings: We performed testing for the bank accounts selected. During testing, we obtained written documentation verifying whether the person responsible for collecting cash had no responsibilities for depositing cash in the bank, recording related transactions or reconciling bank statements.

We obtained written documentation to determine whether the entity has a formal process to reconcile collections to the general ledger and subsidiary ledgers by a person that was not responsible for cash collections at the location. We selected the highest week of collections from the general ledger and traced collections to the deposit date on the bank statement to determine that the deposits were made within one day of collection. We also used deposit slips to verify that check collections were completely supported by documents.

During our review, we noted that the person responsible for collecting cash is not bonded, but does record collections in a log. The Police Jury clerk reviews the log for accuracy and reconciles the bank accounts.

We also noted that one deposit was made within five days of receipt.

7. Procedures: 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.

Findings: We reviewed written documentation to determine that the entity has a process specifically defined to determine completeness of collections for each revenue source by a person who is not responsible for collections.

During our review of the above procedure, we noted that there was written documentation for the collection process, but it did need to be updated to comply with Statewide Agreed-Upon Procedures Guidelines.

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

8. Procedures: 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.

Findings: We reviewed a management listing of entity disbursements from the general ledger and obtained management's representation that the listing was complete.

No exceptions were noted during the above procedures.

9. Procedures: Using the disbursement population from 8, 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.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without 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.

Findings: We obtained and reviewed documentation to determine that someone other than the requester approves all disbursements. There is no electronic system in place for the Police Jury, but they utilize paper purchase orders.

Of the 25 disbursements tested, we noted that eight of them were initiated with purchase orders and none of the selected disbursements had approval.

10. Procedures: 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.

Findings: We reviewed entity documentation to determine whether the party responsible for processing payment is prohibited from adding vendors to the entity's purchasing/disbursement system

During our review of disbursements, we noted no mention of how vendors are added in entity documentation.

11. Procedures: 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.

Findings: We inquired of management regarding their practices in initiating and approving disbursements for the entity to determine that the board approves all purchases and does not initiate any purchases.

During our review, we noted no mention of segregation of duties in disbursements within entity documentation.

12. Procedures: 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.

Findings: We observed that the unused checks are locked in a filing cabinet. The clerks have access but no signatory authority.

No exceptions were noted during the above procedures.

13. Procedures: 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.

Findings: We inquired of management to determine whether a signature stamp or signature machine was used. The entity does not use signature stamps.

No exceptions were noted during the above procedures.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Procedures: 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.

Findings: We inquired of management and received a listing of all active credit cards, bank debit cards, fuel cards, and P-Cards, including the card numbers and the names of the persons who maintained possession of the cards. We also received representation from management that the listing was complete.

No exceptions were noted during the above procedures.

15. Procedures: 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.

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

Findings: We obtained the combined monthly statement for the cards used by the entity and the individual statements for each credit card and selected the month with the largest dollar activity for each statement. We reviewed the statement to determine whether there was evidence that it was reviewed and approved, in writing by someone other than the authorized card holder. We also reviewed the statement to determine whether finance charges and/or late fees were assessed on the statement.

No exceptions were noted to the above procedures.

16. Procedures: Using the monthly statements or combined statements selected under procedure 15, 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).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization).

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.

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.

Findings: Using the combined monthly statement from procedure 15, we obtained supporting documentation for all transactions to determine whether there was an original itemized receipt, documentation of the business/public purpose, and other required written documentation. We reviewed the monthly statement to compare the transaction's detail to the Louisiana Public Bid Law. We also compared the entity's documentation of business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.

No exceptions were noted during the above procedures.

Travel and Expense Reimbursement

17. Procedures: 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.

Findings: We inquired of management to obtain records of all travel and related expense reimbursements by person during the fiscal period.

No exceptions were noted during the above procedures.

18. Procedures: 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) and report any amounts that exceed GSA rates.

Findings: We inquired about the entity's policies related to travel and expense reimbursements and compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration.

During our review, we noted that the Police Jury did not have a written policy, but the secretary/treasurer was able to verbally communicate the policy to us. We recommended that they be put into writing as soon as possible.

19. Procedures: Using the listing or general ledger from procedure 17, 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 (procedure 18) and report each reimbursement that exceeded those rates.
 - b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased.
 - Documentation of the business/public purpose.
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
 - 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.
 - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: Using the listing from procedure 17, we selected the three persons who incurred the most travel costs during the fiscal period. We reviewed the expense report to compare the documentation to the verbal policies. We obtained supporting documentation for each expense to determine the business purpose. We also determined that each expense was reviewed and approved by someone other than the person receiving the reimbursement.

No exceptions were noted during the above procedures.

Contracts

20. Procedures: 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.

Findings: We obtained a list of contracts and management's representation that the list is complete.

No exceptions were noted during the above procedure.

21. Procedures: 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.
 - b) 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).
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
 - c) 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.
 - d) 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.
 - e) 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).

Findings: From the listing under procedure 20, we reviewed five contracts to determine whether they support the service arrangement and amount paid. Three contracts were subject to the Louisiana Public Bid Law and the Police Jury did solicit bids as a best practice. We also reviewed the contract and related documentation to determine if the contract was amended and whether or not the largest payment complied with the terms and conditions of the contract. We also reviewed contract documentation and board minutes whether there was documentation of board approval.

During our testing, we noted that one of the five contracts selected only had a proposal, and not a formal contract.

Payroll and Personnel

22. Procedures: 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:
- 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.
 - 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.

Findings: We obtained a listing of employees with their related salaries and selected five employees to determine if compensation paid to them was in compliance with the terms of their employment contract. We also checked for any changes made to hourly pay rates/salaries during the fiscal period.

No exceptions were noted during the above procedures.

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

Findings: We randomly selected 25 employees to determine if each selected employee documented their daily attendance and leave, whether there was written documentation that supervisors approved the attendance and leave of the selected employees/officials, and whether there is written documentation that the entity maintained written leave record on the selected employees.

No exceptions were noted during the above procedures.

24. Procedures: 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.

Findings: We inquired with management as to whether any employees/officials were terminated during the fiscal period. Three employees were terminated during the year and they did not receive termination payments.

No exceptions were noted during the above procedures.

25. Procedures: 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.

Findings: We inquired with management as to whether the entity participates in retirement plans. We reviewed remittances and cancelled checks to verify payroll taxes were remitted timely to appropriate agencies.

No exceptions were noted during the above procedures.

Ethics

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

Findings: We obtained the personnel files on the five employees selected in procedure 22 from management to determine whether ethics training/compliance documentation was completed.

No exceptions were noted during the above procedures.

27. Procedures: 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.

Findings: We inquired with management whether any alleged ethics violations were reported to the entity during the fiscal year.

No exceptions were noted during the above procedures.

Debt Service

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

Findings: The Jury did not issue new debt during the period.

No exceptions were noted during the above procedures.

29. Procedures: 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 covenants.

Findings: The Police Jury is in compliance with its debt covenants.

No exceptions were noted during the above procedures.

30. Procedures: 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 had been paid off.

Findings: The entity did not have tax millages related to debt service. Therefore, this procedure was not applicable.

No exceptions were noted during the above procedures.

Other

31. Procedures: 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.

Findings: We inquired with management whether the entity had any misappropriations of public funds or assets. Per management, the entity was not aware of any misappropriations.

No exceptions were noted during the above procedures.

32. Procedures: 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) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings: We observed whether the entity had posted on its premises and website the notice required by R.S. 24:53.1. The notice required by R.S. 24:523.1 was posted in the lobby of each location for both employees and customers to see.

No exceptions were noted during the above procedures.

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

Findings: We did not observe or otherwise identify any exceptions regarding management's representations.

No exceptions were noted during the above procedures.

TENSAS PARISH POLICE JURY
 SCHEDULE OF FINDINGS
 FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Reference No.</u>	<u>Description of Finding</u>
<u>Written Policies and Procedures:</u>	
Procedure 1	The entity did not have written policies for receipts, payroll/personnel, contracting, credit cards, travel and expense reimbursement, and ethics. The entity did have written policies for budgeting, purchasing, and disbursements, but the ones in place needed to be updated in order to be in accordance with the Statewide Agreed Upon Procedures guideline.
<u>Board:</u>	
Procedure 2b	Budget to actual comparisons were reviewed on a quarterly basis instead of a monthly basis.
<u>Collections:</u>	
Procedure 6a	The person responsible for collecting cash is not bonded and they also record the collections in a log. The Police Jury clerk reviews the log for accuracy and reconciles the bank accounts.
Procedure 6d	One deposit was made five days after receipt.
Procedure 7	The entity did have a written procedure for the reconciliation of collections, but it did need to be updated to comply with Statewide Agreed-Upon Procedures Guidelines.
<u>Disbursements – General:</u>	
Procedure 9 none	Of the 25 disbursements tested, eight of them were initiated with purchase orders and of the selected disbursements had approval.
Procedure 10	No mention of how vendors are added is in entity documentation.
Procedure 11	No mention of segregation of duties in disbursements is within entity documentation.
<u>Travel and Expense Reimbursement:</u>	
Procedure 18	The entity did not have a written policy, but the secretary/treasurer was able to verbally communicate the policy.
<u>Contracts:</u>	
Procedure 21	One of the five contracts selected only had a proposal and not a formal contract.

Management Response

Management plans to address the above findings during fiscal year 2018.