

OUACHITA PARISH, LOUISIANA

2014 ANNUAL OPERATING BUDGET

POLICE JURORS

SHANE SMILEY, President	DISTRICT E
WALT CALDWELL, Vice-President, Finance Committee Chair	DISTRICT C
SCOTTY ROBINSON	DISTRICT A
MACK CALHOUN, Public Works Committee Chair	DISTRICT B
OLLIBETH REDDIX, Personnel Committee Chair	DISTRICT D
PAT MOORE	DISTRICT F

Department Heads

BRADLEY N. CAMMACK, CPA, Treasurer	JAY MITCHELL, A.D.A., Legal Counsel
PATRICK HEMPHILL, District Fire Chief	JEFF TOMS, Heath Unit
JOHN TOM MURRAY, Public Works	ROBIN TOMS, Public Library
LAMAR ANDERSON, Juvenile Detention Home	SHANNON RIDER, Mosquito Abatement
JULIA KIRBY, Corrections Coordinator	CRAIG LOTT, 911 Communications District
NEAL BROWN, Homeland Security	DEPUTY HACK TULL, Animal Control
MAJ. PATRICK JOHNSON, Warden, O. C. C.	
DORETHA BENNETT, Workforce Investment Board and Section 8 Housing	

GOVERNMENTAL FUNDS

ANNUAL OPERATING BUDGETS

2013 AMENDED * * * 2014 ADOPTED

The Budget Committee and Treasurer are pleased to present the annual operating budgets for the various funds and departments for the 2014 Operating, Capital Improvement, Debt Service and Internal Service budgets for the Ouachita Parish Police Jury. This recap summarizes the most significant factors included in the 2013 Amended and 2014 Adopted budgets and includes the revenue and expenditure assumptions. The parish's resources include a wide variety of revenues that are designed to protect the community's physical security, improve its physical condition, and enhance the quality of life for its citizens.

After very careful consideration of the needs of the parish, we have prepared the following budgets in a manner that we feel will meet those needs and maintain sufficient funds available for future periods. I am confident that all decisions were considered in light of their impact on future years in a manner that continues to provide basic public services in support of a healthy, secure, safe, and very livable community, while at the same time, protecting the fiscal integrity of the parish.

Here are some highlights...

General Financial Conditions

As stated last year, the nation's economic crisis has had an impact upon the budgets under the umbrella of the Police Jury, and is beginning to have a significant impact on the services provided by the Parish due to cuts in funding from Federal and State agencies. Although energy and fuel costs have risen, the largest expenditure category for the budgets remains personnel costs. The Jury has allowed departments to include a cost of living adjustment within their budgets in the amount of 4% in an effort to keep up with long term inflation. Unfortunately, personnel related benefits such as health insurance and retirement have seen steady increases for several years, and it appears that the increases in retirement are here to stay for the short term, and the increase in health insurance is here to stay for the long term.

As part of the budget process each year, the Jury reviews a variety of information related to salaries and wages of its employees. In general, this review continues to indicate that our employees are at or below prevailing levels in the workplace for their level or responsibility or longevity. Retirement provisions for Parish employees are dictated by state law and the funds are administered at the state level. The Jury is largely limited to a role of funding the requirement. Since the various retirement programs remain defined benefit, the low interest rate environment continues to result in very substantial increases in that funding requirement.

General Fund

Using conservative practices in the past few years, the elected officials have been able to maintain the General Fund in a positive cash flow position while meeting all demands placed upon the fund by State laws that mandate support for a variety of "reasonable and necessary" expenses of the local Judiciary system as well as other Parish-level officials, and replace and repair some aging HVAC equipment. The Police Jury's General Fund will not be able to maintain that trend due to the ever increasing demands placed upon the General Fund.

Roads and Drainage

The Ouachita Parish Public Works Department performs maintenance on gravel and hard surface roads totaling 874 miles. This includes roadside drainage and mowing.

Sales tax received in 2012 totaled \$6,368,749 which is \$746,842 over the original budget of \$5,621,917. This amounts to an increase in collections of almost 10%. Part of this increase is due to a portion of sales tax receipts being incorrectly reported to other taxing bodies in 2011.

A 3% increase was included in the original 2013 budget.

The original 2013 budgeted amount for sales tax was \$5,790,575. The amended budget was increased to \$6,752,978. The numbers for December are not in as of this time, however if the average holds, the total receipts for 2013 should be near \$7,000,000. This number does include approximately \$190,000 in payments from the City of West Monroe from misdirected sales tax receipts from 2011 and 2012.

The 2014 original budgeted amount for sales tax is \$5,964,292, which is a 3% increase over the original 2013 budget.

The Police Jury cancelled the maintenance agreement with the Town of Sterlington in 2013. As such there were no reimbursements to the town and the Public Works Department resumed maintenance on parish roads within Sterlington.

The Public Works Department completed the 2013 Chip Seal/Overlay Program which consisted of work on 11.03 miles of roadway. Another 2.16 miles was improved under the Road Reconstruction Program. A Gravel Road Improvement Program was funded in 2013 from the General Fund in which a total of .77 miles were improved. Total material cost for the three programs was \$720,724.

A total of \$725,000 has been budgeted for chip seal and road rehabilitation in 2013 from the Public Works budget.

The Parish did not do any paint striping of parish roads in 2013. \$215,668 has been budgeted for contract paint striping in 2014 with all the funding coming from the Public Works budget.

Replacement of the timber bridge on Hadley Street over Young's Bayou was completed in early 2013 through the Federal Off-System Bridge Replacement Program. The bridge was named in honor of the late Dorth "Coach" Blade. Coach Blade worked most of his life as a teacher and coach. After retirement he was elected Police Juror from District "D".

On November 2, 2013 the culvert/bridge span on Vocational Parkway collapsed while work was ongoing to repair a cavity that had developed between the roadway and the culvert. Three employees were on the roadway at the time of collapse. One of these received minor injuries. As a result of the collapse the existing culvert/bridge was crushed and the excavator on the site received extensive damage resulting in over \$45,000 in repair cost.

As Vocational Parkway is basically a dead end roadway the collapse necessitated the need to construct a runaround until repairs could be made to the roadway. This runaround was constructed by Public Works employees. Due to the nature of the work involved in the replacement of the structure it was decided to let a major portion of the project to construction by a private contractor. The contractor completed their portion of the work in December 2013. Public Works is currently installing guardrail at the site. As soon as the weather allows the final hot mix overlay will be completed and the runaround removed. The total expenditures for this project will be approximately \$345,000.

The department completed the replacement of the timber structures on Ike Kelly Road and Harrell Road in 2013. Also extensive work was performed to the bridges on Gatley Street and Joseph Thomas Road.

There are several bridges scheduled for various degrees of repair in 2014.

Fire Protection

The Ouachita Parish Fire Department is the agency of first response to emergencies reported within its jurisdiction, which includes the entire Parish of Ouachita with the exception of the cities of Monroe and West Monroe. The department maintains a balanced budget with primary funding sources of an Ad Valorem tax and a sales tax. The Ad Valorem tax of 19.11 mills was rolled back to 19.00 mills in 2012. It is projected to generate \$9,033,500 in 2014. The one-cent sales tax remains fairly constant and is projected to generate \$5,900,000 in 2014. The Police Jury has chosen to set aside capital funds in a Fire District No. 1 Capital Outlay Fund each year starting in 2006. All firefighting apparatus, vehicles, and major equipment purchases are made from this fund. The Capital Outlay Fund for FY2014 is expected to have a balance of \$4,983,461 at 12/31/14.

Library

The Ouachita Parish Public Library System operates ten library branches throughout the parish as well as a bookmobile and van that provide outreach services to schools, day care facilities, nursing homes, retirement communities, assisted living facilities, apartment complexes, homebound, senior citizens and others in need of library services. All of the library's facilities are well-used by the public. Currently, a total of 73,589 citizens are active registered borrowers of the library system, having used their library cards to borrow materials at least once during the past three years. From January through November, 2013, the library system circulated a total of 889,033 items to registered borrowers.

The library's materials collection consists of 460,133 total items including books, DVDs, videos, recordings, e-books, audio e-books, periodicals, art prints and more.

In addition to our facilities and materials collection, The Ouachita Parish Public Library offers a wide variety of free library programs to the citizens of our parish. No matter what age or interest, the library offers something for everyone. We are the community's center for lifelong learning.

In 2013, OPPL conducted the 11th Annual "River Reads" community-wide adult summer reading program that encourages citizens to read the same book and then attend a library program and participate in dialogue, discussion and activities that widen the understanding of the book's topic. This year's "River Reads" book was written by a familiar local author, naturalist and conservationist Kelby Ouchley. His book, **Bayou-Diversity: Nature and People in the Louisiana Bayou Country** was selected from among dozens of titles nominated by the public and library staff members. Mr. Ouchley graciously participated in many of these programs, offering members of our community the opportunity to meet and interact with the author of this critically acclaimed and thought-provoking book.

The library receives the majority of its funding from local sources, primarily from a dedicated ad valorem tax millage and from self-generated funds for fines, fees, gifts and donations, interest earnings and other local sources. State Revenue Sharing funds to replace tax monies lost due to the state's Homestead Exemption make up another large percentage of our budgeted revenues. In a time of declining revenue from state and federal sources, it is more important than ever to have stable funding at the local level to provide the quality of library services, facilities, materials and programs the citizens of Ouachita Parish have come to expect from their parish public library system.

The library board and staff look forward once again to providing excellence in library services to the citizens of Ouachita Parish in 2014.

Mosquito Control

2013 in relation to arboviral diseases was the second worst year on record for Ouachita Parish. 2005 continues to be the worst year on record with 15 neuro-invasive type cases of West Nile virus confirmed while 2013 comes close to meeting that threshold with 14 neuro-invasive type cases of West Nile virus confirmed in Ouachita Parish. This comes on the heels of an already tumultuous year in 2012. Though 2012 didn't provide the number of neuro-invasive cases of West Nile that the surveillance reflected, these past two years prove that the threat of arboviral diseases is not waning and continues to be a problem therefore warranting the need for continued mosquito control. In addition, not only is West Nile an actual threat but Dengue and Chikungunya are arboviral diseases that are likely to become probable threats in the near future.

2013 started as a quiet year with little to no disease activity until mid to late July. After the initial disease introduction, the infection rates spiked at an alarming rate not in the gradual manner in which they usually increase meaning we had to respond quickly with the most effective method possible, by air. We treated large portions of the parish with three treatments (6 times) by air through the late summer and fall to combat the virus and its vector. As it was late in the mosquito season before the virus activity started, we didn't treat as much as we did in 2012. However, we did have to employ the use of the Emergency Disease Control Fund in 2013 to be able to continue to fund those aerial treatments. This is mostly due to the fact that we had to replenish our ground adulticiding and larviciding chemicals early in the year due to lack of carry over inventory from 2012 thereby depleting our chemical budget and using a portion of our contractual budget early to purchase said chemicals.

Mosquito Abatement started 2013 with little to no chemical inventory due to the amount used in 2012. This required the use of the entire chemical budget and a portion of the cash fund balance (2012). As to not use any more of the cash fund balance than was absolutely necessary in 2012, no additional chemicals were bought at the end of year 2012 to carry over into 2013. In 2013, the entire budgeted amounts for chemicals and contracts were consumed and \$243,790.00 was moved from the Emergency Disease Control Fund into the operational budget for the reasons stated above.

As I finished my budget message last year with the question "What does this mean for 2013", it hopefully means that West Nile is ultimately cyclical and will phase out for 2014 and a couple of years following. There were a few speculations in 2012 that the disease presence in 2012 was only an introduction of what was to come in 2013 and that proved to be correct in Ouachita Parish.

Juvenile Justice

The Green Oaks Juvenile Detention Center has made a niche for itself as being the only State licensed local juvenile detention center in the Northeast area of the state. As a result, there have been more requests from area parishes and agencies for the center to house their juveniles. While the center does have an agreement to accept juveniles from certain parishes, the center will only accept a limited number in order to remain available for Ouachita Parish juveniles as needed.

New classrooms were constructed during 2012. During 2013 the classrooms continued to be improved with computers other instructional equipment. During 2014 the Parish Library will assist the center with updating the material available to the juveniles in order to allow better access to the Parish Library resources.

The jurors voted to create a "Capital Improvement" fund during 2013. The Green Oaks operations fund transferred \$500,000 to the Capital Improvement fund during 2013 and is budgeted to transfer an additional \$50,000 during 2014. Since the center is now several years old, and since the remaining dedicated capital funds that built the center have been depleted, the new Capital Improvement fund will reserve funds for any major improvements or repairs that may surface in the future.

Ouachita Correctional Center (OCC)

The OCC budget is supported by a 9.20 millage and revenue from the State of Louisiana for State inmates (DOC inmates) held at the facility. The Ad Valorem millage of 9.20 for operations was approved by voters and is the combination of a prior 8.60 millage operation tax and a .60 millage that had been dedicated for future capital outlay improvements. The 8.60 mill and .60 mill taxes expired in 2011. The newly approved 9.20 mill tax will expire in 2016. The original 2013 OCC budget was based upon 310 DOC inmates, and the revenue generated of \$2,759,729. There has been a lot of local, inter-government discussion concerning the need for increasing the number of DOC inmates. Fortunately, with all parties working together, it appears that the average number of DOC for 2013 will be 340. The extra 30 DOC inmates will account for \$267,071 of additional revenue for the OCC fund. OCC had experienced several years of deficits, but an effort to increase bed space has proven successful. In addition, all parties in the judicial system have been acutely aware of the cost of operating an adult jail, and every effort is being made to move non-sentenced detainees through the judicial system while maintaining the detainees' due process.

The Sheriff started operating a female work release program from OCC during 2013 that is anticipated to generate \$119,614 in revenues during 2013 and \$140,049 during 2014. All of the aforementioned will allow OCC to have a positive cash flow for 2013 and 2014.

Health Unit

During 2013 the Office of Public Health (OPH)/ Ouachita Parish Health Unit provided clinic services to over 20,000 patients including the issuance of \$4,953,155.23 in WIC vouchers. Sanitarian Services made 5,353 field visits during the course of completing among other duties 3,245 retail food inspections, 394 institution inspections (day care centers, schools, detention centers, hospitals and clinics, and public buildings), conducted 449 on-site wastewater inspections, conducted 188 private premise inspections for home sale or complaint investigation, and collected/shipped 19 rabies specimens. The State OPH budget for staffing and operating costs for Ouachita Parish in 2013 was approximately \$1,800,000. Parish millage funding expended for Health Unit operations was approximately \$580,000.

911 Communications District

The 9-1-1 Communications District is funded by a monthly surcharge on telephone customer fees. These surcharge rates vary from 85 cents for wireless telephone customers, 2% of the base rate for prepaid wireless customers and 3% for landline customers. In 2014, the District projects to receive \$1,009,000 from wireless telephone service providers, \$193,000 from prepaid wireless service providers and \$530,000 from landline telephone service providers. The total expenditures for 2014 are anticipated to be \$1,330,390. All expenditures will be used solely for the implementation and operation of 9-1-1 communications services.

The Communications District provides call-taking services, CAD software and 9-1-1 communications equipment for the Monroe Police Department, West Monroe Police Department, Ouachita Parish Sheriff's Office, American Medical Response, Ouachita Parish Fire Department and Monroe Fire Department. The Communications District implemented Enhanced 9-1-1 Service in 1990. Wireless Phase II (FCC order # 92-102) service was fully implemented in September of 2006. Continuing maintenance of the wireless location service and Geographic Information System is necessary to assure location accuracy levels are in compliance and ensure 9-1-1 calls and responders are routed to the correct locations.

Our newly implemented Computer Aided Dispatch System is now operational for all emergency response agencies. The mobile portion of this CAD system should be fully functional by the end of 2014. Mobile CAD provides emergency responders the ability to send and receive data wirelessly while en route to an incident.

In an effort to enhance emergency response, the District is operating an Enterprise Geographic Information System. This system is an intelligent mapping system that is used to display 9-1-1 caller locations, along with aerial photography, structure addresses, transportation infrastructure and jurisdictional boundaries. The Communications District and the Ouachita Parish Assessor's Office are currently functioning members of the Enterprise GIS. By mid-year 2014 the City of Monroe should be replicating data in the Enterprise GIS. In future we would hope that other entities will join the Enterprise GIS, hosted by the Communications District.

FUND BALANCES:

The amended budget for 2013 and the adopted budget for 2014 have been prepared to consider utilizing available operating revenues and fund balances as follows:

1. GENERAL FUND

The fund balances for the years ended December 31, 2013 and 2014 are anticipated to be \$4,642,773 and \$4,736,839 respectively. You will see the consolidated General Fund in Section 3 of this book. The consolidated General Fund includes funds that have been set aside by the Police Jury for specific projects or anticipated needs, such as School-Based Clinics, Drainage and Litter programs, Cemetery maintenance and a new Pump Station Utility Fund. This fund will function as a reserve for large unforeseen utility expenses related to the operation of the pump stations in a major flood situation. To begin building the fund's reserves, the Jury has voted to appropriate \$20,000 annually beginning in 2011. The anticipated annual utility expenses are \$10,000, therefore accumulating \$10,000 in reserves each year. The Jurors recognize the importance of keeping the General Fund in a positive cash flow position and hold monthly Finance Committee meetings to receive monthly updates in order to stay abreast of the General Fund's status.

2. **PUBLIC WORKS**
The anticipated fund balance is \$1,861,530 at 12/31/2014.
3. **CAPITAL OUTLAY ROAD PROGRAM**
There is \$1,153,000 budgeted for road surfacing projects in 2014. The fund balance will be reduced to \$181,242 by 12/31/2014.
4. **FIRE PROTECTION DISTRICT**
The fund balance anticipated for December 31, 2014 is \$16,615,201.
5. **PARISH LIBRARY**
The anticipated fund balance is \$8,423,085 at 12/31/2014.
6. **GREEN OAKS DETENTION**
Green Oaks is anticipating \$5,061,339 fund balance at 12/31/2014.
7. **CRIMINAL COURT FUND**
The Criminal Court Fund maintains a zero fund balance since the Fourth Judicial District Attorney supplements the fund's deficit. The District Attorney continues to work diligently with other local jurisdictions on new ways to increase revenues and decrease expenses to keep the Criminal Court Fund adequately funded.
8. **MOSQUITO ABATEMENT FUND**
The fund balance for the Mosquito Abatement District at 12/31/2014 is anticipated to be \$2,433,541 with on-going positive cash flow and the Emergency Disease Control Fund has been allocated a total of \$771,738 from the Operations Fund since its inception in 2009.
9. **CORRECTIONAL FACILITIES FUND**
The fund balance for 12/31/14 is anticipated to be \$10,564,682.
10. **HEALTH UNIT AND ANIMAL CONTROL FUNDS**

HEALTH UNIT – The anticipated fund balance at 12/31/14 will be \$1,691,756. The Police Jury has been setting aside some of the operating funds into a Capital Outlay Fund for future capital needs. In 2014 \$362,540 has been budgeted for a roof replacement out of these funds. The total in the Capital Outlay fund at 12/31/2014 is expected to be \$98,370.

ANIMAL SHELTER – The fund balance at 12/31/14 is anticipated to be \$573,004 and positive cash flow is expected.
11. **COMMUNICATIONS DISTRICT FUND**
The Fund Balance for the 911 District at 12/31/2014 will be \$3,042,346 with on-going positive cash flow.
12. **OTHER SPECIAL REVENUE FUNDS**
Other special revenue funds have not experienced material fluctuations in revenues, expenditures and the resulting fund balances; thus a written detailed descriptive analysis is not included in this message.

Description	General Fund	Special Revenue Funds
Fund Balances 12-31-12	\$4,631,627	\$57,457,387
Estimated Revenues 1-1-13 thru 12-31-13	7,193,894	67,889,295
Estimated Expenditures	6,799,456	66,871,876
Other Financing Sources (Uses)	(383,292)	(412,913)
Fund Balance 12-31-13	4,642,773	58,061,893
Proposed Revenues 1-1-2014 thru 12-31-2014	5,810,238	74,791,696
Proposed Expenditures	5,508,130	77,560,237
Other Financing Sources (Uses)	(208,042)	420,042
Anticipated Fund Balances 12-31-2014	\$4,736,839	\$55,713,394

In conclusion, I would like to thank Mr. Shane Smiley, President, and the remaining Jurors for allowing me the opportunity to guide the development of this budget.

Walter M. Caldwell, IV
District C
Finance / Budget Committee Chairman

INTRODUCTION

The Ouachita Parish Police Jury is the governing authority for Ouachita Parish and is a political subdivision of the State of Louisiana. The police jury is governed by six (6) jurors representing six single member districts within the parish. The jurors serve four-year terms that expire with the first scheduled meeting in January 2013.

Louisiana Revised Statute 33:1236 gives the police jury various responsibilities to regulate and direct the affairs of the parish and its inhabitants. These responsibilities include: 1) providing the construction and maintenance of roads, bridges, and drainage systems, 2) providing for the health and welfare of the poor, disadvantaged, and unemployed in the parish, and 3) provide safe neighborhoods and streets. Funding to accomplish these tasks is provided by ad valorem property taxes, sales and use taxes, beer and alcoholic beverage permits, occupational license, state revenue sharing, and various other state and federal grants.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Ouachita Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

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

<u>Component Unit</u>	<u>Fiscal Criteria</u>	
	<u>Year End</u>	<u>Used</u>
Fourth Judicial District Criminal Court Fund	December 31	1a
Hospital Service District No. 1	December 31	1a
G.B. Cooley Hospital for Retarded Citizens	June 30	1a
Monroe/West Monroe Convention and Visitors' Bureau of Ouachita Parish	December 31	1a
Ouachita Parish Firemen's Pension and Relief Fund	December 31	1a
Ouachita Parish Library	December 31	1a
East Town and Country Drainage District	December 31	1a
Gravity Drainage District No. 1 (Inactive)		
Lake Park Drainage District	December 31	1a
Town and Country Drainage District No. 1	December 31	1a
Town and Country Drainage District No. 3 (Inactive)		
East Ouachita Recreation District No. 1	December 31	1a
West Ouachita Recreation District No. 1 (Inactive)		
Eastern Forest Subdivision Sewerage District No. 14	December 31	1a
Green Acres Sewerage District No. 13	December 31	1a
Hideaway Road Sewerage District No. 11	December 31	1a
Lakeshore Subdivision Sewerage District No. 1	December 31	1a
North Monroe Subdivision Sewerage District No. 1	December 31	1a
Ouachita Sewerage District No. 10	December 31	1a
Rowland Road Sewerage District No. 12 (Inactive)		
Southeast Sewerage District No. 3	December 31	1a
Sterlington Consolidated Sewerage District	December 31	1a
West Ouachita Sewerage District No. 5	August 31	1a
West Ouachita Sewerage District No. 9	December 31	1a
Cadeville Water District	December 31	1a
Prairie Road Water District	December 31	1a
Tanglewood Pine Bayou Water Works (Inactive)		

The primary government (Ouachita Parish Police Jury) financial statements include all funds and account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the Ouachita Parish Police Jury and include the Fourth Judicial District Criminal Court Fund, the Ouachita Parish Library, West Ouachita Sewer District No. 9, Green Acres Sewer District No. 13, and Southeast Sewer District No. 3.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the Ouachita Parish Police Jury financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the Ouachita Parish Police Jury.

Also considered in the determination of component units of the reporting entity were the Ouachita Parish Sheriff, Clerk of Court, Tax Assessor, and School Board, the District Attorney for the Fourth Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Ouachita Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Ouachita Parish Police Jury. The Ouachita Parish Police Jury neither appoints their governing boards nor designates management. Furthermore, the police jury has no ability to significantly influence their operations, nor does it have any accountability for fiscal matters of the entities. They are considered by the police jury to be separate autonomous governments and issue financial statements separate from those of the Ouachita Parish Police Jury reporting entity.

C. FUND ACCOUNTING

The police jury uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the police jury are classified into three categories: (1) governmental, (2) proprietary, and (3) fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

GOVERNMENTAL FUNDS

Governmental funds are used to account for all or most of the police jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. General Fund - the general operating fund of the police jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds - to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Capital Projects Funds - to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

PROPRIETARY FUNDS

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary fund includes:

1. Enterprise Fund - to account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
2. Internal Service Funds - account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis.

FIDUCIARY FUNDS

These funds are used to account for assets held by the police jury in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Expendable Trust Fund - This fund is used to account for assets held by the Ouachita Parish Police Jury for the parish and other governmental units. Expendable trust funds are reported similar to governmental funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds, expendable trust funds, and agency funds. The governmental funds and expendable trust funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recorded on the modified accrual basis. Ad valorem taxes are recorded when received in accordance with the 60-day rule. Ad valorem taxes are assessed and become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. The related state revenue sharing, based on homesteads in the parish, is recorded when received.

Federal and state grants and other allotments are recorded when the police jury is entitled to the funds.

Sales taxes are received by the police jury's collection agents, the City of Monroe and the Louisiana Department of Public Safety and Corrections, Office of Motor Vehicles and recognized when collected by vendors in accordance with the 60-day rule.

Fines, forfeitures, and court costs are recognized in the period collected by the Ouachita Parish Tax Collector.

Interest income on time deposits is recorded when the time deposits have matured and the interest is available. Interest income on interest bearing demand deposits is recorded at the end of each month when credited by the bank. Interest income on investments is recorded periodically as the instruments mature. Substantially all other revenues are recorded when they become available to the police jury.

Expenditures

Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred, except for compensated absences, which are recognized during the year when leave is actually taken.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of assets and proceeds from the issuance of long-term debt are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying event occurs.

Deferred Revenues

The police jury reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the police jury before it has a legal claim to them as when grant monies are received prior to the incurring of qualifying expenditures. In subsequent periods, when the police jury has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

Prepaid Expenses

Occasionally, the Police Jury will prepay general liability insurance. The payment is carried as an asset on the balance sheet and is recognized in the year in which the coverage applies.

The proprietary fund and non-expendable trust fund are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary fund and non-expendable trust fund use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

E. BUDGETS

Preliminary budgets prepared on the modified accrual basis of accounting, for the ensuing year are prepared annually by the treasurer. During the months of September through November, the finance committee reviews the proposed budgets with the department heads and makes changes, as it deems appropriate. Notice of the location and availability of the proposed budgets for public inspection and the date of the public hearings to be conducted on the budgets are then advertised in the official journal of the police jury. Prior to the selected December meeting, the police jury conducts a public hearing on the proposed budget(s) in order to receive comments from residents. 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 selected December meeting, and a notice of adoption that includes a summary of the budget is published in the official journal of the parish. During the year, the police jury receives monthly budget comparison statements that are used as a tool to control parish operations. The police jury exercises budgetary control at the account level. Within accounts, the treasurer has the

authority to make adjustments as necessary. However, the treasurer does not have the authority to increase or decrease overall revenue and/or expenditure amounts. The police jury uses encumbrance accounting in its budget practices. Unexpended appropriations lapse at year-end and must be re-appropriated in the next year's budget.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and any subsequently adopted amendment.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed. Outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except reimbursements, are reported as transfers.

H. SALES AND USE TAXES

On October 15, 1977, voters of the parish approved a one per cent sales and use tax dedicated to improving, resurfacing, renovating, operating and maintaining public roads and bridges (including necessary roadside drainage and purchasing the necessary equipment to carry out such purposes) within said parish and outside the corporate limits of Monroe and West Monroe. The tax is for an indefinite period of time. The police jury entered into an intergovernmental agreement with the City of Monroe whereby the Monroe City Sales and Use Tax Collection Department will provide collection services for a fee of \$2,100 each month.

In December 1995, voters of the parish approved one percent sales and use tax dedicated to operating expenses and capital outlay for fire protection in said district. The tax is for an indefinite period of time. It was an increase in the one-half cent sales tax approved on January 17, 1987.

On October 21, 1995, voters of the parish approved an additional one-half of one per cent sales and use tax dedicated to operating expenses and capital outlay for fire protection in said district. The tax is for an indefinite period of time. The police jury has entered into an intergovernmental agreement with the City of Monroe whereby the Monroe City Sales and Use Tax Collection Department will provide collection services for a fee of \$1,050 each month.

2. AD VALOREM TAXES

The following is a summary of authorized and levied ad valorem taxes for 2013:

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
<u>General Fund:</u>			
Inside municipalities	2.09	2.08	Statutory
Outside municipalities	4.18	4.16	Statutory
<u>Special Revenue Funds:</u>			
Green Oaks Detention Home	2.91	2.64	12/31/15
Health Unit / Animal Control	.78	.74	12/31/13
Mosquito Abatement Dist. No. 1	1.99	1.10	12/31/18
Library	7.67	7.47	12/31/15
Jail Facilities	9.20	9.20	12/31/16
Fire Prot. Dist. No. 1	19.11	19.00	12/31/19
<u>Debt Service Fund:</u>			
Economic Development	1.80	0.00	12/31/23
<u>Capital Projects Funds:</u>			
All Capital Projects Funds millages have expired			

The differences between authorized and levied millage are the result of reassessments of taxable property as required by Article 7, Section 23 of the Louisiana Constitution of 1974.

The following is a schedule of the property tax calendar year:

Assessment date January 1

Official levy date November

Date taxes become due December 31