

CALDWELL PARISH POLICE JURY

COLUMBIA, LOUISIANA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2013



**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

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Required Supplemental Information (Part I)
Management's Discussion and Analysis

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis
December 31, 2013

As management of the Caldwell Parish Police Jury, we offer readers of the Police Jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2013. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the 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. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the Police Jury are included in one category - governmental funds.

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

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

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

The Police Jury maintains thirteen individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road Maintenance, Recreation, Solid Waste, and Blacktop Road special revenue funds, and the Bayou de Chene Reservoir and LCDBG Funds, capital projects funds, which are considered to be major funds. Data from the other funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

Government-wide Financial Analysis. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following tables focus on net position (Table 1) and changes in net position (Table 2) for the Police Jury's governmental activities.

Table 1
Net Position
Governmental Activities

	2013	2012	2011
Current and other assets	\$ 8,460,672	\$ 7,824,903	\$ 6,786,638
Capital assets (net)	11,719,166	11,363,580	11,137,941
Total assets	20,179,838	19,188,483	17,924,579
Long-term obligations (compensated absences)	119,478	131,380	127,842
Other liabilities	210,260	162,500	227,205
Total liabilities	329,738	293,880	355,047
Net position:			
Invested in capital assets, net of debt	11,719,166	11,363,580	11,137,941
Restricted	5,837,212	5,209,130	4,007,683
Unrestricted	2,293,722	2,321,893	2,423,908
Total net position	\$ 19,850,100	\$18,894,603	\$ 17,569,532

Note: 2012 and 2011 have been restated to reflect restricted net position.

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

At the close of the fiscal year, assets of the Police Jury exceeded liabilities by \$19,850,100. Of that amount, \$11,719,166 represents the Police Jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. The remaining net position consists of bank balances and receivables.

Net position increased by \$955,497 in 2013. Current and other assets increased 8% due to an increase in Blacktop Road Fund cash which is a result of a December transfer of \$750,000 from Waste Management to Blacktop Road. This was an annual budgeted transfer. Capital assets (net) increased by \$355,586 or 3%. Significant additions included an air conditioner unit at the courthouse, improvements made to the annex building, a Kubota tractor, a track hoe, a Ford F250 truck, and work on the Bayou de Chene project. Additions were offset by depreciation of \$370,281.

The following table presents changes in revenues and expenses. Total revenues increased \$188,789 or 3%. Charges for services decreased 35% due to a \$39,993 decrease in charges for public safety services which consists of fines and forfeitures in the government-wide statements. Operating grants increased by \$736,225 due to the flood buyout program which recognized \$743,446 in revenue during 2013 and the FEMA Hurricane Creek project which recognized \$144,170 in revenue during 2013. Capital grants increased \$293,575 due to a \$423,000 increase in revenue in Bayou de Chene offset by fluctuations in CWEF and LGAP projects. Other general revenues decreased \$793,323 primarily due to the prior year including the settlement of a lawsuit in the police jury's favor. Total expenses increased \$558,363 or 11%. The majority of the increase was in general government and public works which increased 15% and 12%, respectively.

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

Table 2
Changes in Net Position
Governmental Activities

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues			
Program revenues:			
Charges for services	\$ 263,021	\$ 401,672	\$ 409,038
Operating grants	2,096,419	1,360,194	668,450
Capital grants	645,664	352,089	853,616
General revenues:			
Property taxes	1,735,192	1,715,973	1,493,381
Sales taxes	1,856,422	1,784,678	1,942,020
Other general revenues	48,247	841,570	536,467
Total revenues	<u>6,644,965</u>	<u>6,456,176</u>	<u>5,902,972</u>
Program expenses			
General government	1,723,572	1,493,164	1,140,010
Public safety	543,904	494,594	648,305
Public works	2,752,221	2,446,525	2,858,870
Health and welfare	195,994	131,813	151,073
Culture and recreation	207,512	241,701	183,799
Economic development and assistance	238,412	258,644	187,472
Transportation	27,853	64,664	9,314
Total expenses	<u>5,689,468</u>	<u>5,131,105</u>	<u>5,178,843</u>
Increase (decrease) in net position	<u>\$ 955,497</u>	<u>\$ 1,325,071</u>	<u>\$ 724,129</u>

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

Table 3 presents the cost of each of the Police Jury's major functions as well as the net cost for each function (total cost less revenues generated by those functions). The net cost shows the financial burden placed on the parish's taxpayers for each of those functions.

Table 3
Governmental Activities

	Total Cost of Services			Net Cost (Revenue)		
	2013	2012	2011	2013	2012	2011
General government	\$ 1,723,572	\$ 2,093,992	\$ 1,140,010	\$ 1,285,321	\$ 2,093,992	\$ 978,738
Public safety	543,904	462,162	648,305	205,590	462,162	93,294
Public works	2,752,221	2,108,843	2,858,870	649,237	2,108,843	2,528,206
Health and welfare	195,994	134,575	151,073	195,994	134,575	(629,034)
Culture and recreation	207,512	186,142	183,799	154,974	186,142	79,749
Economic development	238,412	238,412	187,472	238,412	238,412	187,472
Transportation	27,853	27,853	9,314	(45,164)	27,853	9,314
Totals	<u>\$ 5,689,468</u>	<u>\$ 5,251,979</u>	<u>\$ 5,178,843</u>	<u>\$ 2,684,364</u>	<u>\$ 5,251,979</u>	<u>\$ 3,247,739</u>

Financial Analysis of the Government's Funds. The Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term revenue, expenditures, and balances of expendable resources. This information is used in assessing the financing requirements of the police jury. Unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2013, combined governmental fund balances of \$8,250,411 showed an increase of \$588,008 from December 31, 2012. The General Fund and Solid Waste Fund's fund balances decreased \$57,273 and \$345,785, respectively, during the year ended December 31, 2013 while the Road Fund, Recreation Fund, Blacktop Road Fund, and Bayou de Chene Reservoir Fund increased by \$1,722, \$161,215, \$648,286, and \$26,133, respectively. The significant decrease in the Solid Waste Fund can be attributed to the prior year settlement of litigation and the current year transfer to the Blacktop Road fund of \$1,250,000. The significant decrease in the Recreation Fund is attributed to a decrease in capital outlay and a decrease in donations. Improvements were made to the facility in 2012. The increase in the Road Fund is attributed to changes in projects that decreased costs and a decrease in capital outlay.

Budgetary Highlights. The Police Jury's budgets were amended twice during the year – on November 21, 2013 and December 19, 2013. The changes were made to align budgeted amounts with changes in operations and grant activity.

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

Capital Asset and Debt Administration

Capital Assets. The Police Jury's investment in capital assets for its governmental activities as of December 31, 2013, totals \$11,719,166 (net of accumulated depreciation). This investment includes land, construction in progress, buildings and improvements, infrastructure (roads and bridges), furniture, and equipment. The increase in capital assets for the year was \$355,587. Significant additions included an air conditioner unit at the courthouse, improvements made to the annex building, a Kubota tractor, a track hoe, a Ford F250 truck, and work on the Bayou de Chene project.

Long-Term Obligations. At the end of the year, the Police Jury had total long-term obligations of \$119,478, which consisted entirely of compensated absences payable. This represents a decrease of \$11,902 over the previous year. During 2013, the Jury had no long-term debt related to heavy equipment or real estate.

Economic Factors and Next Year's Budgets. The Police Jury's financial plan for this upcoming 2014 year is well underway with the adoption of a realistic budget that meets the needs of the Parish while protecting the long-term financial stability of the Parish. At the end of 2013, the Parish had basically no long-term debt, outside of compensated absences. The Police Jury, at December 31, 2013, had cash and investments totaling \$6,482,087 which represented an increase of \$603,769 over the period ended December 31, 2012, which totaled \$5,878,318.

The police jury has no significant plans for 2014.

Requests for Information. This financial report is designed to be a summary of the Caldwell Parish Police Jury's finances. If there are any questions regarding any information, a request can be made in writing to –

Caldwell Parish Police Jury
P.O. Box 1737
Columbia, Louisiana 71418

Our telephone number is (318) 649-2681.



Independent Auditor's Report

To Caldwell Parish Police Jury
Columbia, 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 Caldwell Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements of Caldwell 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Police Jury, as of December 31, 2013, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified 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 Police Jury as of December 31, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

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 Police Jury, as of June 26, 2014, and the respective changes in financial position 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 and budgetary comparison information on pages 1 through 5 and 32 through 36 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 inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caldwell Parish Police Jury's basic financial statements. The combining financial statements and the schedule of compensation paid to police jurors are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining fund financial statements, the schedule of compensation paid to police jurors, and the schedule of expenditures of federal awards 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 financial statements, the schedule of compensation paid police jurors, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report
December 31, 2013

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2014, on our consideration of the Caldwell Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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* in considering the Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC



Jonesboro, Louisiana
June 26, 2014

Basic Financial Statements

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2013**

ASSETS	
Cash and cash equivalents	\$ 6,482,087
Receivables	1,978,585
Capital assets, net of accumulated depreciation	<u>11,719,166</u>
TOTAL ASSETS	<u>\$ 20,179,838</u>
 LIABILITIES	
Accounts, salaries, and other payables	\$ 152,562
Due to other agencies	57,698
Compensated absences payable	<u>119,478</u>
TOTAL LIABILITIES	<u>329,738</u>
 NET POSITION	
Net investment in capital assets	11,719,166
Restricted	5,837,212
Unrestricted	<u>2,293,722</u>
TOTAL NET POSITION	<u>19,850,100</u>
 TOTAL LIABILITIES AND NET POSITION	 <u>\$ 20,179,838</u>

The accompanying notes are an integral part of these financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 1,723,572	\$ 173,733	\$ 264,518	\$ -	\$ (1,285,321)
Public safety	543,904	68,978	222,356	46,980	(205,590)
Public works	2,752,221	-	1,524,970	578,014	(649,237)
Health and welfare	195,994	-	-	-	(195,994)
Culture and recreation	207,512	16,469	15,399	20,670	(154,974)
Economic development and assistance	238,412	-	-	-	(238,412)
Transportation	27,853	3,841	69,176	-	45,164
Total governmental activities	<u>\$ 5,689,468</u>	<u>\$ 263,021</u>	<u>\$ 2,096,419</u>	<u>\$ 645,664</u>	<u>(2,684,364)</u>
General revenues:					
Property taxes levied for:					
General purposes					449,958
Public works					510,292
Health and welfare					126,841
Culture and recreation					322,042
Economic development and assistance					326,059
Sales and use taxes levied for:					
General purposes					252,837
Public works					1,603,585
Other taxes, penalties and interest					11,854
Unrestricted investment earnings					26,586
Other revenues					9,807
Total general revenues					<u>3,639,861</u>
Change in net position					955,497
Net position at beginning of year					<u>18,894,603</u>
Net position at end of year					<u>\$ 19,850,100</u>

The accompanying notes are an integral part of these financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2013

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS									
Cash and cash equivalents	\$1,153,518	\$ 257,017	\$ 600,892	\$ 1,820,469	\$ 1,304,493	\$ 47,545	\$ 40	\$ 1,298,113	\$ 6,482,087
Receivables	411,401	541,089	312,565	113,245	-	-	-	600,285	1,978,585
Due from other funds	2,700	25,652	-	-	-	-	-	36,402	64,754
TOTAL ASSETS	\$1,567,619	\$ 823,758	\$ 913,457	\$ 1,933,714	\$ 1,304,493	\$ 47,545	\$ 40	\$ 1,934,800	\$ 8,525,426
LIABILITIES									
Accounts payable	\$ 39,554	\$ 21,784	\$ 15,326	\$ -	\$ 12,251	\$ -	\$ -	\$ 28,567	\$ 117,482
Salaries and related payables	14,464	12,121	1,913	-	-	-	-	6,581	35,079
Due to other agencies	57,698	-	-	-	-	-	-	-	57,698
Due to other funds	62,054	2,700	-	-	-	-	-	-	64,754
Total liabilities	173,770	36,605	17,239	-	12,251	-	-	35,148	275,013
FUND BALANCES									
Unassigned	1,393,849	-	-	-	-	-	-	-	1,393,849
Restricted	-	787,153	896,218	1,933,714	1,292,242	47,545	40	1,899,652	6,856,564
Total fund balances	1,393,849	787,153	896,218	1,933,714	1,292,242	47,545	40	1,899,652	8,250,413
TOTAL LIABILITIES AND FUND BALANCES	\$1,567,619	\$ 823,758	\$ 913,457	\$ 1,933,714	\$ 1,304,493	\$ 47,545	\$ 40	\$ 1,934,800	\$ 8,525,426

The accompanying notes are an integral part of these financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS'
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013

Total fund balance - governmental funds	\$ 8,250,413
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources.	11,719,166
Some liabilities, such as compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	<u>(119,479)</u>
Net assets of governmental activities	<u>\$ 19,850,100</u>

The accompanying notes are an integral part of these financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:									
Taxes:									
Ad valorem	\$ 255,363	\$ 510,292	\$ 322,042	\$ -	\$ -	\$ -	\$ -	\$ 647,495	\$ 1,735,192
Sales and use	252,837	177,910	-	1,425,675	-	-	-	-	1,856,422
Other taxes, penalties, and interest	11,825	-	-	-	-	-	-	29	11,854
Licenses and permits	173,733	-	16,469	-	-	-	-	7,550	197,752
Intergovernmental funds:									
Federal funds	1,102,593	2,002	-	-	-	-	-	-	1,104,595
State funds:									
Severance taxes	250,191	-	-	-	-	-	-	-	250,191
State revenue sharing	12,186	24,400	15,399	-	-	-	-	-	51,985
Parish transportation	-	214,029	-	-	-	-	-	-	214,029
Other state funds	306,988	70,560	-	-	-	527,639	-	17,920	923,107
Fees, charges and commissions for services	3,841	77,526	-	-	-	-	-	120,561	201,928
Fines and forfeitures	-	-	-	-	-	-	-	61,428	61,428
Use of money and property	6,217	1,183	2,558	8,684	2,960	-	-	4,984	26,586
Other revenues	5,184	689	2,505	-	-	-	-	1,519	9,897
Total revenues	<u>2,380,958</u>	<u>1,078,591</u>	<u>358,973</u>	<u>1,434,359</u>	<u>2,960</u>	<u>527,639</u>	<u>-</u>	<u>861,486</u>	<u>6,644,966</u>
Expenditures:									
Current:									
General government:									
Legislative	104,553	-	-	-	-	-	-	-	104,553
Judicial	97,149	-	-	-	-	-	-	230,672	327,821
Elections	40,455	-	-	-	-	-	-	-	40,455
Finance and administrative	220,540	-	-	-	-	-	-	-	220,540
Other general government	902,627	-	-	-	-	-	-	111,139	1,013,766
Public safety	295,205	-	-	-	-	-	-	166,957	462,162
Public works	405,250	974,025	-	530,144	604,674	-	-	-	2,514,093
Health and welfare	124,365	-	-	-	-	-	-	70,927	195,292
Culture and recreation	-	-	186,142	-	-	-	-	-	186,142

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Economic development and assistance	41,705	-	-	-	-	-	-	196,707	238,412
Transportation	27,853	-	-	-	-	-	-	-	27,853
Capital outlay	28,527	102,844	11,616	-	-	501,506	-	81,374	725,867
Total expenditures	<u>2,288,229</u>	<u>1,076,869</u>	<u>197,758</u>	<u>530,144</u>	<u>604,674</u>	<u>501,506</u>	<u>-</u>	<u>857,776</u>	<u>6,056,956</u>
Excess (deficiency) of revenues over expenditures	<u>92,729</u>	<u>1,722</u>	<u>161,215</u>	<u>904,215</u>	<u>(601,714)</u>	<u>26,133</u>	<u>-</u>	<u>3,710</u>	<u>588,010</u>
Other sources (uses):									
Operating transfers in	-	-	-	-	1,250,000	-	-	250,000	1,500,000
Operating transfers out	(150,000)	-	-	(1,250,000)	-	-	-	(100,000)	(1,500,000)
Total other sources (uses)	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(1,250,000)</u>	<u>1,250,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Net change in fund balances	(57,271)	1,722	161,215	(345,785)	648,286	26,133	-	153,710	588,010
Fund balances at beginning of year	<u>1,451,120</u>	<u>785,431</u>	<u>735,003</u>	<u>2,279,499</u>	<u>643,956</u>	<u>21,412</u>	<u>40</u>	<u>1,745,942</u>	<u>7,662,403</u>
Fund balances at end of year	<u>\$ 1,393,849</u>	<u>\$ 787,153</u>	<u>\$ 896,218</u>	<u>\$ 1,933,714</u>	<u>\$ 1,292,242</u>	<u>\$ 47,545</u>	<u>\$ 40</u>	<u>\$ 1,899,652</u>	<u>\$ 8,250,413</u>

The accompanying notes are an integral part of these financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

Net change in fund balances - total governmental funds	\$ 588,010
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$725,867) exceeded depreciation (\$370,280) for the current period.	355,587
Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.	<u>11,900</u>
Change in net position of governmental activities	<u><u>\$ 955,497</u></u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Caldwell Parish Police Jury is the parish governing authority governed by an elected board referred to as the "police jury" (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by seven police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2016. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Caldwell Parish, established by act of the Louisiana Legislature in 1838, is located in the northeast part of the state and occupies approximately 529 square miles of land with a population of 10,132 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes, and various other state and federal grants.

In accomplishing its objectives, the police jury employs approximately 30 full and part-time employees (3 in the central office, 1 in the courthouse, 2 in the 911 office, 10 in the recreation department, and 14 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains approximately 405 miles of parish roads, comprised of 150 miles of asphalt and 255 miles of gravel.

The police jury also has the authority to create special districts (component units) within the parish to help in fulfilling its functions. Some districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, and drainage control. Other districts provide specialized facilities and services such as libraries and health care facilities.

Reporting Entity

The police jury reporting entity consists of the various departments and activities that are within the control and authority of the police jury.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, a legally separate entity is considered a component unit of the police jury if at least one of the following criteria is met:

- The police jury appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the police jury.
- The entity is fiscally dependent on the police jury.
- The nature and significant of the relationship between the police jury and the entity is such that exclusion would cause the financial statements of the police jury to be misleading or incomplete.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Component Units:	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Caldwell Parish:		
Sheriff	June 30	2 & 3
Tax Assessor	December 31	2 & 3
Clerk of Court	December 31	2 & 3
Library	December 31	1 & 3
Hospital Service District #1	December 31	1 & 3
Housing Authority	December 31	1 & 3
Airport Authority	December 31	1 & 3
Fire Protection District #1	December 31	1 & 3
Recreation District	December 31	1 & 3
Thirty-Seventh Judicial District Criminal Court	December 31	2 & 3
Gravity Drainage District #1	December 31	1 & 3
Columbia Heights Waterworks District #1	December 31	1 & 3
East Columbia Waterworks District	December 31	1 & 3
Columbia Heights Sewerage District	December 31	1 & 3
Kelly Waterworks District	October 31	1 & 3
Crossroad Water System	December 31	1 & 3
East Columbia Sewerage District	December 31	1 & 3
Columbia Heights Fire District	December 31	1 & 3
Columbia Eastside Fire District	December 31	1 & 3

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Considered in the determination of component units of the reporting entity were the Caldwell Parish School Board, the District Attorney for the Thirty-Seventh Judicial District, the Thirty-Seventh Judicial District Court, and the various municipalities in the parish. It was determined that these governmental entities are not component units of Caldwell Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of Caldwell Parish Police Jury.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) 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.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, is included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the Caldwell Parish reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

The primary government financial statements include all funds, 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 primary government (police jury) and include the Caldwell Parish Recreation District and the Thirty-Seventh Judicial District Criminal Court.

Basis of Presentation

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an overview of the financial activities of the police jury. The basic financial statements include the government-wide financial statements, fund financial statements, and the notes to the basic financial statements.

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and sales taxes are assessed, collected and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the police jury by reporting each in a separate column. The police jury has no business-type activities at this time.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

All capital (long-lived) assets, receivables, and long-term obligations are reported in the Statement of Net Position. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the police jury. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are licenses and permits, fines, lease income, court costs, charges for mowing, and charges for gravesites. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the police jury as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds. At this time, the police jury has only governmental and fiduciary funds

The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered sixty days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities which are recognized when due.

Although the financial statements presented in each of these three schedules contain “total” columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least ten percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the form of a single set of notes to the basic financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The police jury's current year financial statements include the following major governmental funds:

The General Fund is the police jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road Maintenance Special Revenue Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, sales and use taxes, a specific Parish wide ad valorem tax, state revenue sharing funds, and interest earned.

The Recreation Special Revenue Fund accounts for the maintenance of the parish-owned recreation facility. Financing is provided by a parish-wide ad valorem tax, state revenue sharing, interest, dues, fees, and commissions.

The Solid Waste Special Revenue Fund accounts for the collection and disposal of solid waste in the parish. Financing is provided by a specific parish-wide sales and use tax. In accordance with the tax proposition, any available revenues of the fund in excess of \$500,000 are transferred to the Blacktop Road Fund to be used for asphalt road maintenance and improvements.

The Blacktop Road Special Revenue Fund accounts for transfers from the Solid Waste Fund, as noted above. Monies in the fund support the police jury's annual capital improvement program and normal maintenance and repairs to existing asphalt roads.

The Bayou de Chene Reservoir Capital Projects Fund accounts for engineering and construction work at Bayou de Chene. Construction of the Bayou De Chene reservoir is funded by the Louisiana Department of Transportation.

The LCDBG Capital Projects Fund accounts for projects funded by Louisiana Community Development Block Grants.

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances

Cash and Investments

State law allows the police jury to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the Louisiana Asset Management Pool (a state-sponsored investment pool), and mutual funds consisting solely of government-backed securities. 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. Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the Fund that holds the investment. Currently, all investments of the police jury consist of short-term certificates of deposit with local banks.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances (Continued)

Receivables and Payables

Activity between funds that is outstanding at the end the fiscal year is referred to as either “due to or from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” All internal balances are eliminated in the total primary government column. Receivables include all amounts susceptible to accrual that have not been collected at December 31, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected at December 31. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Caldwell Parish Sheriff bills and collects the police jury’s property taxes using the assessed value determined by the assessor of Caldwell Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2013, taxes of 29.95 mills were levied on property with assessed valuations totaling \$71,978,730, as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General maintenance	4.00	4.40	Indefinite
Health unit maintenance	2.01	2.19	2017
Road maintenance and construction	8.14	8.81	2019
Courthouse and jail maintenance	3.11	3.36	2020
Industrial park and E911 operation	2.06	2.23	2020
Recreation maintenance	5.00	5.56	2015
Economic development	3.08	3.40	2017

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances (Continued)

Receivables and Payables (Continued)

The following are the principal taxpayers for the parish and their 2013 assessed valuation:

	Assessed Valuation	Percent of Total Assessed Valuation	Tax
Regency Intrastate Gas, LLC	\$ 23,517,650	32.67%	\$ 3,442,148
Texas Gas Transmission Corp.	3,278,480	4.55%	496,496
Entergy Louisiana, LLC	2,098,590	2.92%	308,958
Union Pacific Railroad Company	1,970,450	2.74%	283,560
Homeland Federal Savings Bank	1,338,350	1.86%	193,241
Plum Creek Southern Timber Co.	1,241,990	1.73%	182,779
Trunkline Gas Company	831,690	1.16%	123,481
XTO Entergy, Inc.	826,120	1.15%	118,937
Caldwell Bank & Trust Company	829,010	1.15%	118,476
Gulf South Pipeline Company, LP	663,200	0.92%	97,980
Total	<u>\$ 36,595,530</u>	<u>50.85%</u>	<u>\$ 5,366,056</u>

Caldwell Parish has a four-percent sales and use tax, of which one percent (parish-wide) is dedicated to the Caldwell Parish School Board; one percent (parish-wide) to debt service and the operations of the parish hospital, Citizens' Medical Center; one-quarter percent (parish-wide, excluding the Town of Columbia) to fire protection and the maintenance and construction of roads and bridges; three-quarters percent (parish-wide, excluding the Town of Columbia) to blacktop roads and the collection and disposal of solid waste; one-quarter percent (parish-wide) to the operations of the parish General Fund; and three-quarters percent (parish-wide) to the collection and disposal of solid waste, with any surplus, after establishing a reserve of \$500,000 for solid-waste purposes, to be used for the establishment of a blacktop road fund for constructing, maintaining, improving, and resurfacing hard-surface roads. The parish hospital tax was passed by voters on April 2, 1977, for an indefinite period. The road, bridge, fire protection, and solid waste tax was passed on October 19, 1985, for an indefinite period. The solid waste and General Fund tax was passed on October 3, 1992, for an indefinite period and was rededicated to the above purposes at a special election held on March 12, 1996.

The police jury has an agreement with the Concordia Parish School Board to collect parish sales taxes. The school board's tax department provides collection services for a fee of one and one-quarter percent of amounts actually collected plus the cost of travel, supplies, and postage. Taxes collected for maintaining and constructing roads and bridges, fire protection, collection and disposal of solid waste, and operations of the General Fund are deposited directly in the police jury's sales tax account. The police jury's Sales Tax Agency Fund distributes the taxes to other funds and agencies on a monthly basis, after deducting the above costs of collection.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances (Continued)

Inventories and Prepaid Items

Inventories consisting of office supplies and water and sewer plant supplies held for consumption are valued using the average cost method. The consumption method is used for financial reporting. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The capitalization threshold for buildings and improvements is \$1,000. For reporting purposes, the police jury defines capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and 20 years for improvements and depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction-in-progress is not depreciated.
- Movable property (furniture, equipment, and vehicles) consists of assets that are not fixed or stationary in nature. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 3 to 15 years.
- Infrastructure assets include tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure is depreciated using the straight-line method with an estimated useful life of 5 to 40 years.
- Purchased computer software is depreciated using the straight-line method over an estimated useful life of 3 years.
- Donated capital assets are recorded at their estimated fair value at the date of donation.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net position. Individual funds have been used to liquidate other long-term liabilities such as compensated absences, claims and litigation payable, etc. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. In accordance with paragraph 16 of the Accounting Principles board Opinion No. 21, unamortized balances of premiums and discounts are netted against the outstanding balance of the related bonds payable.

The following policies relating to vacation and sick leave are currently in effect:

Employees of the police jury and recreation district receive 18 days of annual leave each year with a maximum accumulation of 30 to 45 days, depending on their length of service. Employees earn 10 days of sick leave each year and may accumulate sick leave without limitation. Upon termination, retirement, or resignation, employees are paid for accumulated unused annual and sick leave combined up to a maximum of 90 or 105 days, depending on their years of service.

Employees of the Thirty-Seventh Judicial District Criminal Court earn from one to two weeks of annual leave and 10 to 15 days of sick leave each year, depending on their length of service. Annual and sick leave cannot be accumulated.

The entire compensated absence liability, determined in accordance with the provisions of GASB Codification Section C60, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental funds but is presented in the government-wide statement of net position.

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or are legally or contractually required to be maintained intact.
Restricted	Includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes amounts that can only be used for specific purposes pursuant to constraints that are internally imposed by the government through formal action of the police jury and does not lapse at year-end.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Assigned	Includes amounts that are constrained by the Council's intent to be used for specific purposes that are neither considered restricted or committed.
Unassigned	Includes amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. Negative fund balances in other governmental funds can also be classified as unassigned.

The police jury has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, and unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the general policy of the police jury is to use committed resources first, followed by assigned, and then unassigned. The use of restricted/committed resources may be deferred based on a review of the specific transaction.

The difference between assets and liabilities is "net position" on the government-wide, proprietary, and fiduciary fund statements. Net position is segregated into three categories on the government-wide statement of net position:

Net investment in capital assets - Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations. The police jury first uses restricted net position for expenses incurred when both restricted and unrestricted net position are available for use. The use of restricted net position may be deferred based on a review of the specific transaction.

Unrestricted net position – The balance of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classifications and Net Position (Continued)

Budgets

Preliminary budgets for the ensuing year are prepared by the Assistant Treasurer during October of each year. Budgets are prepared for all funds except Bayou de Chene Reservoir, LCDBG, and Criminal Court. Grant funds prepare budgets and submit to grantors. The Criminal Court Fund is not legally required to adopt a budget. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the 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.

During the year, the finance committee receives monthly budgetary comparison statements, which are used as a management tool to control operations of the parish. The Assistant 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 function levels, the secretary/treasurer has the discretion to make amendments as she deems necessary for proper control. The police jury does not utilize encumbrance accounting; however, the original budgets and any subsequent amendments are incorporated into the accounting system. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. For the year ended December 31, 2013, the police jury adopted cash basis budgets for the General Fund and all special revenue funds except the Criminal Court Fund.

Budgetary comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles the net change in fund balances on the budgetary statements to the same amount on the statement of revenues, expenditures, and changes in fund balances:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Recreation Fund</u>	<u>Solid Waste Fund</u>	<u>Blacktop Road Fund</u>
Net change in fund balance - budget basis	\$ (40,662)	\$ (19,859)	\$ 134,128	\$ (343,585)	\$ 660,537
Adjustments:					
Receivables	(9)	24,342	6,257	(2,200)	-
Payables	(11,857)	(2,761)	20,830	-	(12,251)
Other	(4,743)	-	-	-	-
Net change in fund balance - GAAP basis	<u>\$ (57,271)</u>	<u>\$ 1,722</u>	<u>\$ 161,215</u>	<u>\$ (345,785)</u>	<u>\$ 648,286</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classifications and Net Position (Continued)

Budgets (Continued)

The following schedule reconciles actual ending fund balances as shown on the budgetary statements to cash on the balance sheet:

	General Fund	Road Fund	Recreation Fund	Solid Waste Fund	Blacktop Road Fund
Fund balance at end of year - budget basis	\$ 1,033,270	\$ 282,669	\$ 600,892	\$ 1,820,469	\$ 1,304,493
Cash - payroll (withholdings)	3,196	-	-	-	-
Cash - FEMA grant project	57,698	-	-	-	-
Due from other funds	(2,700)	(25,652)	-	-	-
Dut to other funds	62,054	-	-	-	-
	<u>\$ 1,153,518</u>	<u>\$ 257,017</u>	<u>\$ 600,892</u>	<u>\$ 1,820,469</u>	<u>\$ 1,304,493</u>
Cash on balance sheet	<u>\$ 1,153,518</u>	<u>\$ 257,017</u>	<u>\$ 600,892</u>	<u>\$ 1,820,469</u>	<u>\$ 1,304,493</u>

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 statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates

NOTE 2 – BUDGET VARIANCES

The following presents a summary of major funds' budget variances for the year ended December 31, 2013:

Fund	Revenues and Other Sources			Expenditures and Other Uses		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 1,644,293	\$ 1,568,239	\$ (76,054)	\$ 1,636,233	\$ 1,608,901	\$ 27,332
Road Maint.	1,130,761	1,135,741	4,980	1,166,507	1,155,600	10,907
Recreation	330,056	341,723	11,667	211,765	207,595	4,170
Solid Waste	1,319,080	1,436,559	117,479	1,784,310	1,780,144	4,166
Blacktop Road	1,252,834	1,252,960	126	623,568	592,423	31,145
Total	<u>\$ 5,677,024</u>	<u>\$ 5,735,222</u>	<u>\$ 58,198</u>	<u>\$ 5,422,383</u>	<u>\$ 5,344,663</u>	<u>\$ 77,720</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 3 - CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the police jury's deposits may not be returned to it. The police jury's policy (not a formal written policy) to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent bank has failed to pay deposited funds upon demand.

At December 31, 2013, the police jury has cash and cash equivalents (book balances) totaling \$6,482,087, as follows:

Demand deposits	\$4,179,670
Time deposits	<u>2,302,417</u>
Total	<u>\$6,482,087</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.

As of December 31, 2013, \$6,501,861 of the police jury's bank balances of \$7,352,927 was exposed to custodial credit risk as follows:

Insured by FDIC	<u>\$ 851,066</u>
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	<u>5,650,795</u>
Total balances exposed to custodial credit risk	<u>6,501,861</u>
Total bank balances	<u>\$7,352,927</u>

NOTE 4 – RECEIVABLES

The receivables of \$1,978,585 at December 31, 2013, are as follows:

	Taxes	Due from Other Governments		Licenses and Permits	Fines and Forfeitures	Accounts and Other	Total
		Federal	State				
General	\$ 254,766	\$55,792	\$ 81,736	\$19,107	\$ -	\$ -	\$ 411,401
Road Maintenance	484,348	-	56,741	-	-	-	541,089
Recreation	296,700	-	15,492	-	-	373	312,565
Solid Waste	113,245	-	-	-	-	-	113,245
Other governmental	596,603	-	-	-	3,682	-	600,285
Total	<u>\$1,745,662</u>	<u>\$55,792</u>	<u>\$ 153,969</u>	<u>\$19,107</u>	<u>\$3,682</u>	<u>\$ 373</u>	<u>\$1,978,585</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 5 - INTERFUND TRANSFERS AND BALANCES

At December 31, 2013, interfund balances were as follows:

		Due to		
		Road		Total
		General	Maintenance	
Due from	General	\$ -	\$ 2,700	\$ 2,700
	Road Maintenance	25,652	-	25,652
	Other governmental	36,402	-	36,402
	Total	<u>\$ 62,054</u>	<u>\$ 2,700</u>	<u>\$ 64,754</u>

Road Maintenance Fund owes General Fund for a payroll correction. General Fund owes Road Maintenance Fund for electronic transfers that were made in the General Fund Bank Account by the state. General Fund owes 911 Communications Fund for state funds that were direct deposited into the General Fund bank account.

The following details interfund transfers for the year ended December 31, 2013:

		Transfers out			Total
		General	Solid Waste	Other Governmental	
Transfers in	Road Maintenance	\$ -	\$ -	\$ 100,000	\$ 100,000
	Blacktop Road	-	1,250,000	-	1,250,000
	Other governmental	150,000	-	-	150,000
	Total	<u>\$ 150,000</u>	<u>\$ 1,250,000</u>	<u>\$ 100,000</u>	<u>\$ 1,500,000</u>

The General Fund transferred \$150,000 to the Criminal Court Fund to cover expenditures of the Court. The Solid Waste Fund transferred \$1,250,000 to the Blacktop Road Fund in accordance with the property tax process verbal and the annual budget. The Industrial Fund transferred \$100,000 to the E-911 Fund to support operations.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 6 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2013, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 420,095	\$ -	\$ -	\$ 420,095
Construction in progress	7,412,928	519,426	-	7,932,354
Total capital assets not being depreciated	<u>7,833,023</u>	<u>519,426</u>	<u>-</u>	<u>8,352,449</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	47,897,858	-	-	47,897,858
Bridges	642,997	-	-	642,997
Buildings and improvements	2,914,289	63,454	-	2,977,743
Land improvements	716,214	-	-	716,214
Heavy equipment	1,348,353	111,861	-	1,460,214
Vehicles	1,158,700	28,527	-	1,187,227
Public works equipment	283,107	2,599	-	285,706
Office furniture and equipment	577,716	-	-	577,716
Total capital assets being depreciated	<u>55,539,234</u>	<u>206,441</u>	<u>-</u>	<u>55,745,675</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(46,001,271)	(149,992)	-	(46,151,263)
Bridges	(642,014)	(48)	-	(642,062)
Buildings and improvements	(2,585,383)	(16,226)	-	(2,601,609)
Land improvements	(155,374)	(30,960)	-	(186,334)
Heavy equipment	(1,122,896)	(46,857)	-	(1,169,753)
Vehicles	(1,008,367)	(65,499)	-	(1,073,866)
Public works equipment	(80,043)	(25,467)	-	(105,510)
Office furniture and equipment	(413,330)	(35,231)	-	(448,561)
Total accumulated depreciation	<u>(52,008,678)</u>	<u>(370,280)</u>	<u>-</u>	<u>(52,378,958)</u>
Total capital assets being depreciated, net	<u>3,530,556</u>	<u>(163,839)</u>	<u>-</u>	<u>3,366,717</u>
Total capital assets, net	<u>\$ 11,363,579</u>	<u>\$ 355,587</u>	<u>\$ -</u>	<u>\$ 11,719,166</u>

Depreciation expense for the year was charged to the following governmental functions:

Depreciation expense by function:	
General government	\$ 15,307
Public safety	80,745
Public works	244,065
Health and welfare	2,459
Culture and recreation	27,704
Total	<u>\$ 370,280</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 7 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2013:

Compensated absences payable, beginning of year	\$ 131,380
Additions	76,689
Deductions	(72,435)
Adjustment	<u>(16,156)</u>
Compensated absences payable, end of year	<u>\$ 119,478</u>

As discussed in Note 1, upon separation from service, employees are paid for accumulated vacation leave at their then current rate of pay. The adjustment to compensated absences is for the purpose of adjusting the ending liability for ending pay rates and limitations on the hours for which an employee will be paid.

NOTE 8 – RETIREMENT SYSTEM

Substantially all employees of the Caldwell Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined-benefit pension plan 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. All employees of the police jury are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish 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 creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final average salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available 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 of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 8 – RETIREMENT SYSTEM (CONTINUED)

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the Caldwell Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 16.75 percent of annual covered payroll. Contributions to the system also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each 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 Caldwell Parish Police Jury 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 for the prior fiscal year. The Caldwell Parish Police Jury's contributions to the System under Plan A for the years ended December 31, 2013, 2012 and 2011, were \$138,418, \$120,240, and \$114,569, respectively, substantially equal to the required contributions for each year.

NOTE 9 - RISK MANAGEMENT

The police jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; liability; and injuries to employees and others. To handle such risk of loss, the police jury maintains commercial insurance policies covering: automobile liability and medical payments, workers compensation, general liability, and surety bond coverage on the secretary/ treasurer and other employees handling money. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

NOTE 10 - LITIGATION

At December 31, 2013, the police jury was involved in two lawsuits. One suit is being addressed by liability insurance and is not expected to exceed coverage. In the other suit, the police jury is the plaintiff.

NOTE 11 – BAYOU DE CHENE RESERVOIR PROJECT

Act 423 of the 1977 session of the legislature created the reservoir commission and established its powers. The police jury is constructing the Bayou de Chene Reservoir with grant funds provided by the Louisiana Department of Transportation and Development. At December 31, 2013, the police jury had expended a total of \$7,269,233 of grant funds on the project, which is included in construction in progress in Note 6.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 26, 2014, the date on which the financial statements were available to be issued.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 13 – ADOPTION OF NEW ACCOUNTING STANDARDS

For the year ended December 31, 2013, the Caldwell Parish Police Jury implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Required Supplemental Information (Part II)

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 219,000	\$ 239,034	\$ 244,700	\$ 5,666
Sales and use	272,000	250,241	252,914	2,673
Other taxes, penalties, and interest	7,925	9,337	9,859	522
Licenses and permits	118,468	161,599	154,710	(6,889)
Intergovernmental funds:				
Federal funds	1,406,517	233,557	252,396	18,839
State funds:				
Severance taxes	270,000	344,171	321,312	(22,859)
State revenue sharing	12,681	12,310	8,310	(4,000)
Other state funds	601,650	375,252	304,588	(70,664)
Fees, charges, and commissions for services	4,000	3,841	3,841	-
Use of money and property	5,500	5,629	6,156	527
Other revenues	-	9,322	9,453	131
Total revenues	<u>2,917,741</u>	<u>1,644,293</u>	<u>1,568,239</u>	<u>(76,054)</u>
Expenditures:				
Current:				
General government	767,022	773,056	608,247	(164,809)
Public safety	1,400,901	240,909	325,059	84,150
Health and welfare	61,000	64,469	69,180	4,711
Economic development and assistance	-	-	41,705	41,705
Transportation	-	-	27,853	27,853
Capital outlay	2,000	-	-	-
Total expenditures	<u>2,230,923</u>	<u>1,466,233</u>	<u>1,458,901</u>	<u>(7,332)</u>
Excess (deficiency) of revenues over expenditures	686,818	178,060	109,338	(68,722)
Other sources (uses):				
Operating transfers out	<u>(110,000)</u>	<u>(170,000)</u>	<u>(150,000)</u>	<u>20,000</u>
Net change in fund balances	576,818	8,060	(40,662)	(48,722)
Fund balances at beginning of year	<u>1,139,817</u>	<u>1,170,936</u>	<u>1,073,932</u>	<u>(97,004)</u>
Fund balances at end of year	<u>\$ 1,716,635</u>	<u>\$ 1,178,996</u>	<u>\$ 1,033,270</u>	<u>\$ (145,726)</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 501,533	\$ 482,546	\$ 488,923	\$ 6,377
Sales and use	189,000	177,306	178,436	1,130
Intergovernmental funds:				
Federal funds	-	2,728	2,002	(726)
State funds:				
State revenue sharing	25,400	23,638	16,638	(7,000)
Parish transportation	127,400	195,757	196,874	1,117
Other state funds	-	76,000	70,560	(5,440)
for services	45,000	72,258	81,526	9,268
Use of money and property	2,500	1,004	1,183	179
Other revenues	-	615	690	75
Total revenues	<u>890,896</u>	<u>1,031,852</u>	<u>1,036,832</u>	<u>(62,532)</u>
Expenditures:				
Current:				
Public works	1,032,746	1,063,662	1,052,756	(10,906)
Capital outlay	-	102,845	102,844	(1)
Total expenditures	<u>1,032,746</u>	<u>1,166,507</u>	<u>1,155,600</u>	<u>(10,907)</u>
Excess (deficiency) of revenues over expenditures	<u>(141,850)</u>	<u>(134,655)</u>	<u>(118,768)</u>	<u>15,887</u>
Other sources (uses):				
Operating transfers in	-	98,909	98,909	-
Proceeds from the sale of assets	<u>328</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other sources (uses)	<u>328</u>	<u>98,909</u>	<u>98,909</u>	<u>-</u>
Net change in fund balances	(141,522)	(35,746)	(19,859)	15,887
Fund balances at beginning of year	<u>198,700</u>	<u>242,299</u>	<u>302,528</u>	<u>60,229</u>
Fund balances at end of year	<u>\$ 57,178</u>	<u>\$ 206,553</u>	<u>\$ 282,669</u>	<u>\$ 76,116</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - RECREATION FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 276,660	\$ 293,441	\$ 308,555	\$ 15,114
Other taxes, penalties, and interest	37	-	-	-
Licenses and permits	13,213	16,273	17,605	1,332
Intergovernmental funds:				
State funds:				
State revenue sharing	16,000	15,500	10,500	(5,000)
Use of money and property	2,848	2,337	2,558	221
Other revenues	-	2,505	2,505	-
Total revenues	<u>308,758</u>	<u>330,056</u>	<u>341,723</u>	<u>11,667</u>
Expenditures:				
Current:				
Culture and recreation	202,370	192,349	195,979	3,630
Capital outlay	-	19,416	11,616	(7,800)
Total expenditures	<u>202,370</u>	<u>211,765</u>	<u>207,595</u>	<u>(4,170)</u>
Net change in fund balances	106,388	118,291	134,128	15,837
Fund balances at beginning of year	<u>484,694</u>	<u>466,764</u>	<u>466,764</u>	<u>-</u>
Fund balances at end of year	<u>\$ 591,082</u>	<u>\$ 585,055</u>	<u>\$ 600,892</u>	<u>\$ 15,837</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SOLID WASTE SPECIAL REVENUE FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Sales and use	\$ 1,366,227	\$ 1,311,870	\$ 1,427,875	\$ 116,005
Use of money and property	6,000	7,210	8,684	1,474
Other revenues	-	-	-	-
Total revenues	<u>1,372,227</u>	<u>1,319,080</u>	<u>1,436,559</u>	<u>117,479</u>
Expenditures:				
Current:				
Public works	<u>515,743</u>	<u>534,310</u>	<u>530,144</u>	<u>(4,166)</u>
Excess (deficiency) of revenues over expenditures	<u>856,484</u>	<u>784,770</u>	<u>906,415</u>	<u>121,645</u>
Other sources (uses):				
Operating transfers out	<u>(500,000)</u>	<u>(1,250,000)</u>	<u>(1,250,000)</u>	<u>-</u>
Net change in fund balances	356,484	(465,230)	(343,585)	121,645
Fund balances at beginning of year	<u>1,146,298</u>	<u>2,164,054</u>	<u>2,164,054</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,502,782</u>	<u>\$ 1,698,824</u>	<u>\$ 1,820,469</u>	<u>\$ 121,645</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - BLACKTOP ROAD SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Use of money and property	<u>\$ 3,723</u>	<u>\$ 2,834</u>	<u>\$ 2,960</u>	<u>\$ 126</u>
Expenditures:				
Current:				
Public works	<u>210,423</u>	<u>524,659</u>	<u>592,423</u>	<u>67,764</u>
Excess (deficiency) of revenues over expenditures	<u>(206,700)</u>	<u>(521,825)</u>	<u>(589,463)</u>	<u>(67,638)</u>
Other sources (uses):				
Operating transfers in	500,000	1,250,000	1,250,000	-
Operating transfers out	<u>-</u>	<u>(98,909)</u>	<u>-</u>	<u>98,909</u>
Total other sources (uses)	<u>500,000</u>	<u>1,151,091</u>	<u>1,250,000</u>	<u>98,909</u>
Net change in fund balances	293,300	629,266	660,537	31,271
Fund balances at beginning of year	<u>646,010</u>	<u>646,023</u>	<u>643,956</u>	<u>(2,067)</u>
Fund balances at end of year	<u>\$ 939,310</u>	<u>\$ 1,275,289</u>	<u>\$ 1,304,493</u>	<u>\$ 29,204</u>

Other Supplemental Schedules

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

Nonmajor Governmental Funds - Special Revenue Funds

Courthouse and Jail Maintenance Fund

The Courthouse and Jail Maintenance Fund accounts for the maintenance and operation of the parish courthouse and jail. Financing is provided by a parish-wide ad valorem tax.

Industrial Operation Fund

The Industrial Operation Fund accounts for the maintenance of the parish-owned industrial district. Financing is provided by a parish-wide ad valorem tax. Any excess of funds over a \$50,000 reserve in the fund can be used for improving, maintaining, and operating the parish 911 emergency communications system.

Health Unit Maintenance Fund

The Health Unit Maintenance Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax.

Criminal Court Fund

The Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney and conviction fees in criminal cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

Witness Fee Fund

The Witness Fee Fund accounts for witness fees as provided by Louisiana Revised Statute 15:255. Witness fees are paid from special court costs levied in criminal cases and fund the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal court cases.

911 Emergency Fund

The 911 Emergency Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Caldwell Parish. Financing is provided by a five-percent service charge on local telephone service within the parish.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2013

	COURTHOUSE AND JAIL MAINTENANCE	INDUSTRIAL OPERATION	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
ASSETS							
Assets:							
Cash and cash equivalents	\$ 309,103	\$ 378,757	\$ 315,963	\$ 601	\$ 5,683	\$ 288,006	\$ 1,298,113
Receivables	179,301	300,436	116,866	3,607	75	-	600,285
Due from other funds	-	-	-	-	-	36,402	36,402
TOTAL ASSETS	<u>\$ 488,404</u>	<u>\$ 679,193</u>	<u>\$ 432,829</u>	<u>\$ 4,208</u>	<u>\$ 5,758</u>	<u>\$ 324,408</u>	<u>\$ 1,934,800</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 8,422	\$ 11,445	\$ 5,551	\$ 2,453	\$ -	\$ 696	\$ 28,567
Salaries and related payables	1,080	-	762	2,729	-	2,010	6,581
Total liabilities	<u>9,502</u>	<u>11,445</u>	<u>6,313</u>	<u>5,182</u>	<u>-</u>	<u>2,706</u>	<u>35,148</u>
Fund equity - fund balances:							
Restricted	<u>478,902</u>	<u>667,748</u>	<u>426,516</u>	<u>(974)</u>	<u>5,758</u>	<u>321,702</u>	<u>1,899,652</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 488,404</u>	<u>\$ 679,193</u>	<u>\$ 432,829</u>	<u>\$ 4,208</u>	<u>\$ 5,758</u>	<u>\$ 324,408</u>	<u>\$ 1,934,800</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NO MAJOR SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	COURT HOUSE AND JAIL MAINTENANCE	INDUSTRIAL OPERATION	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
Revenues:							
Taxes:							
Ad valorem	\$ 194,595	\$ 326,059	\$ 126,841	\$ -	\$ -	\$ -	\$ 647,495
Other taxes, penalties, and interest	-	29	-	-	-	-	29
Licenses and permits	-	-	-	-	-	7,550	7,550
Intergovernmental funds:							
State funds:							
Other state funds	-	-	-	-	-	17,920	17,920
Fees, charges, and commissions for services	-	-	-	-	-	120,561	120,561
Fines and forfeitures	-	-	-	60,754	674	-	61,428
Use of money and property	948	1,352	1,818	-	14	852	4,984
Other revenues	-	-	-	1,519	-	-	1,519
Total revenues	<u>195,543</u>	<u>327,440</u>	<u>128,659</u>	<u>62,273</u>	<u>688</u>	<u>146,883</u>	<u>861,486</u>
Expenditures:							
Current:							
General government:							
Judicial	-	-	-	230,672	-	-	230,672
Other general government	111,139	-	-	-	-	-	111,139
Public safety	-	-	-	-	105	166,852	166,957
Health and welfare	-	-	70,927	-	-	-	70,927
Economic development and assistance	-	196,707	-	-	-	-	196,707
Capital outlay	13,900	-	-	-	-	67,474	81,374
Total expenditures	<u>125,039</u>	<u>196,707</u>	<u>70,927</u>	<u>230,672</u>	<u>105</u>	<u>234,326</u>	<u>857,776</u>
Excess (deficiency) of revenues over expenditures	<u>70,504</u>	<u>130,733</u>	<u>57,732</u>	<u>(168,399)</u>	<u>583</u>	<u>(87,443)</u>	<u>3,710</u>
Other sources (uses):							
Operating transfers in	-	-	-	150,000	-	100,000	250,000
Operating transfers out	-	(100,000)	-	-	-	-	(100,000)
Total other sources (uses)	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>100,000</u>	<u>150,000</u>
Net change in fund balances	<u>70,504</u>	<u>30,733</u>	<u>57,732</u>	<u>(18,399)</u>	<u>583</u>	<u>12,557</u>	<u>153,710</u>
Fund balances at beginning of year	<u>408,398</u>	<u>637,015</u>	<u>368,784</u>	<u>17,425</u>	<u>5,175</u>	<u>309,145</u>	<u>1,745,942</u>
Fund balances at end of year	<u>\$ 478,902</u>	<u>\$ 667,748</u>	<u>\$ 426,516</u>	<u>\$ (974)</u>	<u>\$ 5,758</u>	<u>\$ 321,702</u>	<u>\$ 1,899,652</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

Compensation Paid Police Jurors

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$1,200 per month and the other jurors receive \$1,100 per month. However, the police jury approved the increase in 2012 without advertising it as required by state statute. Therefore, some jurors have repaid the increase that they received in 2012 and in 2013 received the increased amount stated above. Other jurors began having their 2013 monthly compensation reduced until the 2012 increase is repaid.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2013

Glenn Barnhill	\$ 13,200
Charles Braddock, President	14,400
Lanny Dark	11,700
Bobbie Harrison	11,700
Eddie Hearn	11,700
Gary Mott	3,300
Robert Washam	9,900
Archie Williams	13,200
Total	<u>\$ 89,100</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURE
UNITED STATES DEPARTMENT OF INTERIOR			
Passed through Louisiana Department of the Treasury - In Lieu of Taxes	15.000	N/A	\$ 2,052
UNITED STATES DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT			
Passed through Louisiana Department of Transportation and Development: Public Transportation Operating Assistance Program	20.509	741-11-0119	69,176
UNITED STATES DEPARTMENT OF HOMELAND SECURITY			
Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness -			
Disaster Grants - Public Assistance	97.036	PW208	2,002
Disaster Grants - Public Assistance	97.036	PW290	726
Disaster Grants - Public Assistance	97.036	PW682	60,717
Disaster Grants - Public Assistance	97.036	1603n-021-0005	144,170
Hazard Mitigation Plan Grant - Flood Buy out	97.039	1786-021-0001	742,720
Emergency Management Performance Grant	97.067	EMW-2013-EP-00062-SO1	15,465
Emergency Management Performance Grant	97.067	EMW-2012-EP-00042-SO1	27,325
Emergency Management Performance Grant	97.067	2011-EP-00058	14,723
State Homeland Security Grant Program	97.067	EMW-2011-SS-00124-SO1	20,469
Emergency Management Performance Grant	97.067	2010 CCP	3,850
Emergency Management Performance Grant	97.067	2011 CCP	1,200
Total United States Department of Homeland Security			<u>1,033,367</u>
Total Federal Expenditures			<u>\$ 1,104,595</u>

General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Caldwell Parish Police Jury as defined in Note 1 to the financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the basic financial statements.

Other Reports



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

To the Caldwell Parish Police Jury
Columbia, 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 Caldwell Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Caldwell Parish Police Jury's basic financial statements and have issued our report thereon dated June 26, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Caldwell 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 Caldwell Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of Caldwell Parish Police Jury's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance, etc.
December 31, 2013

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. The finding reference numbers are 2013-1 and 2013-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caldwell Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2013-2.

Caldwell Parish Police Jury's Response to Findings

Caldwell Parish Police Jury's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Caldwell 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.

BOSCH & STATHAM, LLC

Bosch & Statham

Jonesboro, Louisiana
June 26, 2014



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133

To the Caldwell Parish Police Jury
Columbia, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Caldwell Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Caldwell Parish Police Jury's major federal programs for the year ended December 31, 2013. Caldwell Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Caldwell Parish Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Caldwell Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Caldwell Parish Police Jury, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditors' Report on Compliance
In Accordance with OMB Circular A-133
December 31, 2013

Report on Internal Control over Compliance

Management of Caldwell Parish Police Jury, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Caldwell Parish Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Caldwell Parish Police Jury's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BOSCH & STATHAM, LLC

Bosch & Statham

Jonesboro, Louisiana
June 26, 2014

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund of the Caldwell Parish Police Jury. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses an adverse opinion on the aggregate discretely presented component units and a qualified opinion the aggregate remaining fund information. The component units issue separate financial statements.
2. Two material weaknesses were reported in the 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*.
3. One instance of noncompliance material to the financial statements of the Caldwell Parish Police Jury was disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the Caldwell Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following program was tested as a major program:
 - a. United States Department of Homeland Security Passed through the Office of the Governor, Office of Homeland Security – Hazard Mitigation Plan Grant – Flood Buyout Program – CFDA No 97.039.
8. The threshold for distinguishing between Type A and Type B programs was \$300,000.
9. The Caldwell Parish Police Jury was determined not to be a low-risk auditee.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2013-1 Significant Amount of Posting Errors

Condition

For the year ended December 31, 2013, audit adjustments included ten adjusting entries that were necessary to correct posting errors. In some instances, funds had been deposited in the wrong fund. In some instances, funds had been direct deposited into the bank account designated for electronic deposits from the state but no entry had been made to reflect the amount due to other funds or to transfer the funds to the correct fund. In some instances, the funds were transferred to the correct fund but the original deposit was recorded in revenues and the transferring checks were recorded in an interfund account leaving the revenue overstated and the interfund liability account with a debit balance. In other instances, revenues were posted to the wrong general ledger account. In one instance, a deposit was recorded once in the correct fund and once in another fund and shown as a deposit in transit on the year-end bank reconciliation. Debits and credits for these entries totaled \$425,364. Some entries were between revenue accounts and therefore did not affect the balance sheet or the net change in fund balance. The net effect of the entries in the General Fund was to increase liabilities by \$96,172 and to decrease the net change in fund balance by \$96,172. The net effect of the entries in the Road Fund was to increase assets and the net change in fund balance by \$155,059 and \$67,361, respectively.

Criteria

Generally accepted accounting principles require that transactions be posted to the correct fund, to the correct general ledger account and in the correct period. Proper internal control over financial reporting includes implementing procedures to ensure that such posting errors are minimized.

Cause

Internal control procedures in place require bookkeepers to review their own work for errors and to obtain assistance when they are unsure as to the correct posting for transactions. Procedures also require the secretary-treasurer to review the general ledger periodically for posting errors. These procedures were either not performed or were not effective.

Effect

The effect on the financial statements is described above. Additionally, audit time was increased as it was necessary to investigate each difference and make adjusting entries. Finally, monthly reports analyzed by management and the jury contained errors.

Recommendation

We recommend that bookkeepers perform monthly reviews of the general ledger accounts they are responsible for. Additionally, bookkeepers should include reconciling interfund balances. The bookkeepers should discuss with the secretary-treasurer any unusual transactions seeking guidance for the proper posting. We recommend that the secretary-treasurer review the general ledgers for all funds monthly and notify the bookkeepers of any errors noted. Any necessary corrections should be made before monthly reports are generated.

Management's Response

We will implement the auditor's recommendations effective July 2014.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

2013-2 Difference between Final Budgets Presented and Combined Budget Published in Minutes

Condition

The sum of the individual final amended fund budgets that were submitted for audit do not agree to the combined budget published in the police jury's minutes when final amended budgets were adopted in December 2013.

Criteria

At Louisiana Revised Statute 39:1309 D, the Budget Act states: "Upon adoption, certified copies of the budget and adoption instrument shall be transmitted to and retained by the chief executive or administrative officer as required by R.S. 39:1313." R.S. 39:1313 says: "The chief executive or administrative officer shall retain and file certified copies of the adopted budget, budget adoption instrument, duly authorized budget amendments, and copies of supporting schedules and correspondence related to the budget at the domicile of the governing authority."

Cause

Internal control procedures were not adequately designed to ensure that bona fide copies of budget related documents were properly retained.

Effect

1. The police jury has not fully complied with the Budget Act.
2. Budgetary comparison statements included in the financial statements may not contain accurate budget amounts.
3. Audit time was increased as it was necessary to analyze the differences and discuss with management the possible causes for the differences and recommendations to prevent future issues.

Recommendation

We recommend the following:

1. All draft copies of budgets and amendments should be destroyed or sufficiently defaced to prevent confusion as to the identity of the final copies of budgets and amendments.
2. Worksheets should be prepared that clearly document what amounts are added together to prepare combined budgets. These worksheets should be retained with the same care as the budgets and amendments themselves.
3. Certified copies of all budget related documents should be submitted to the Secretary-Treasurer or her designee for safekeeping in an official budget file.

Management's Response

We implemented changes to our budget process earlier in 2014, before the auditor brought the 2013 issues to our attention. We will ensure that our current procedures agree with the auditor's recommendations.

C. FINDINGS - SINGLE AUDIT

No reportable findings resulted from the Single Audit.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Ref. No.	Description of Finding	Corrective Action Taken Yes, No, Partially	Planned Corrective Action/Partial Corrective Action Taken
2012-1	Failure to Advertise and Hold Public Hearing for Juror Compensation	Partially	Certain Jurors are still repaying the 2012 increase