

**Webster Parish Police Jury
Minden, Louisiana**

**Basic Financial Statements
And Independent Auditor's Report
As of and for the Year Ended December 31, 2013**

Webster Parish Police Jury

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT		5-7
REQUIRED SUPPLEMENTARY INFORMATION		8
Management's Discussion and Analysis (MD&A)		9-16
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements (GWFS)		17
Statement of Net Position	A	18
Statement of Activities	B	19
Fund Financial Statements (FFS)		21
Governmental Funds		
Balance Sheet	C	22-23
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position	D	25
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	26-29
Reconciliation of the Governmental Funds		
Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	30
Fiduciary Funds		
Statement of Fiduciary Assets and Liabilities	G	31
Component Units		
Combining Statement of Net Position	H	32
Combining Statement of Activities	I	33
Notes to the Basic Financial Statements		
Index		34
Notes		35-57
REQUIRED SUPPLEMENTARY INFORMATION		58
Schedule of Funding Progress for Other Post Employment Benefits		59
Budgetary Comparison Schedules:		60
General Fund	1-1	61
Sales Tax	1-2	62
Library	1-3	63
Special 2.5 Mill Tax	1-4	64
Notes to the Budgetary Comparison Schedules		65-66

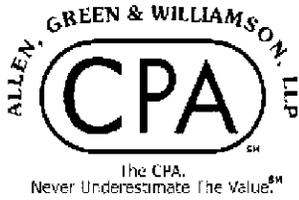
(Continued)

Webster Parish Police Jury

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
SUPPLEMENTARY INFORMATION		67
COMBINING NONMAJOR FUND FINANCIAL STATEMENTS		
COMBINING NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE		68
Combining Balance Sheets - By Fund Type	2	69
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type	3	70
NONMAJOR SPECIAL REVENUE FUNDS		71
Combining Balance Sheet	4	72-73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	5	74-75
Schedule of Compensation Paid Police Jurors	6	76
Financial Data Statements	7	77-78
OTHER INFORMATION		79
Modified Accrual Fund Financial Statements		
Combining Balance Sheet	8	80-85
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances	9	86-91
OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS AND OMB CIRCULAR A-133		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		92-93
Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required By OMB Circular A-133		94-96
SUPPLEMENTARY INFORMATION		
Schedule of Expenditures of Federal Awards		97-98
Notes to the Schedule of Expenditures of Federal Awards		99
Schedule of Findings and Questioned Costs		100-111
OTHER INFORMATION		
Summary Schedule of Prior Year Audit Findings		113-116
Corrective Action Plan for Current Year Audit Findings and Questioned Costs		117-125
Management Letter		126-127

(Concluded)



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA
Principal: Cindy Thomason, CPA

Matt Carmichael, CPA
Diane Ferschoff, CPA
Jaime Esswein, CPA, CFE
Jaucia Mercer, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Independent Auditor's Report

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units of the Community Services and E-911, each major fund, and the aggregate remaining fund information of the Webster Parish Police Jury, Minden, Louisiana, 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 the Police Jury'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 *Governmental 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 Police Jury'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 Police Jury'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 the Aggregate Discretely Presented Component Units

The financial statements do not include financial data of all of the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the 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. The amount by which this departure would affect the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the 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.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units of the Community Services and E-911, each major fund, and 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, Schedule of Funding Progress for Other Post Employment Benefits, and Budgetary Comparison Schedules, as listed in the table of contents, 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 audit 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Police Jury’s primary government. The accompanying supplementary information, as listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the Financial Data Schedule as required by the United States Department of Housing and Urban Development, and

the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the Financial Data Schedule as required by the United States Department of Housing and Urban Development are the responsibility of management and was derived from and relates 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 accompanying supplementary information, as listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the Financial Data Schedule as required by the United States Department of Housing and Urban Development are fairly stated, in material respects, in relation to the basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2014 on our consideration of the 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 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.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
July 14, 2014

**Webster Parish Police Jury
Minden, Louisiana**

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion And Analysis (MD&A)

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Our discussion and analysis of Webster Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2013.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

- The assets of the Police Jury exceeded its liabilities at the close of 2013 by \$22,839,936. Of this amount, \$2,881,785 (unrestricted net position) maybe used to meet the ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The Police Jury's net position increased by \$1,316,312, or 6.1% compared to 2012.
- The Police Jury's total general and program revenues were \$13,330,128 in 2013 which is a decrease of \$331,961 from 2012. The main reason for the decrease was a reduction in capital grants, court costs and fees, and sales tax revenue.
- During the year ended December 31, 2013, the Police Jury had total expenses of \$12,013,816, which includes depreciation expense. Expenses for 2012 totaled \$12,608,576. Expenses decreased in 2013 by \$594,760 in general government due to reduction in capital grant revenue and closure of existing grants.

USING THIS ANNUAL REPORT The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - General Fund, Sales Tax Fund, Library Fund, and Special 2.5 Mill Tax Fund.

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplementary Information

**Schedule of Funding Progress for OPEB
Budgetary Information for Major Funds**

Supplementary Information

**Nonmajor Funds Combining Statements
Financial Data Schedule
Schedule of Compensation Paid Police Jurors**

Other Information

Modified Accrual Fund Financial Statements for Webster CSA

Single Audit Information and Other Information

**Other Reports Required By Government Auditing Standards and By
Office of Management and Budget (OMB Circular A-133)**

Other Information

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report. Separate financial statements may be obtained from the component units that are not included.

Reporting the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities Our analysis of the Police Jury as a whole begins on page 12. One of the most important questions asked about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Position and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, and deferred inflows/outflows, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's net position - the difference between assets, liabilities and deferred inflows/outflows of resources, as reported in the Statement of Net Position as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges, and drainage systems to assess the overall health of the Police Jury.

The Statement of Net Position and Statement of Activities report the following activity for the Police Jury:

Governmental activities - All of the Police Jury's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Criminal Court fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Police Jury's governmental funds use the following accounting approach:

Governmental funds - All of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or

Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

THE POLICE JURY AS A WHOLE The Police Jury's net position was \$22,839,936 at December 31, 2013. Of this amount, \$2,881,785 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use that net position for day-to-day operations. Our analysis below of the primary government focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental activities.

Table 1
Net Position
December 31,

	Governmental Activities	
	<u>2013</u>	<u>2012</u>
Other assets	\$ 13,640,083	\$ 12,945,316
Capital assets	11,531,478	11,405,099
Total assets	<u>25,171,561</u>	<u>24,350,415</u>
Other liabilities	555,274	965,289
Long-term liabilities	<u>1,776,351</u>	<u>1,861,505</u>
Total liabilities	<u>2,331,625</u>	<u>2,826,794</u>
Net position		
Net investment in capital assets	10,763,259	10,280,099
Restricted	9,194,892	7,904,385
Unrestricted	<u>2,881,785</u>	<u>3,339,137</u>
Total net position	<u>\$ 22,839,936</u>	<u>\$ 21,523,621</u>

The \$2,881,785 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example) we would have \$2,881,785 left.

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2 takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

**Table 2
Changes in Net Position
For the Years Ended December 31,**

Revenues:	2013	2012	Increase (Decrease) From 2012
Program revenues:			
Charges for services	\$ 421,900	\$ 467,184	\$ (45,284)
Operating grants & contributions	614,686	743,027	(128,341)
Capital grants & contributions	236,469	413,431	(176,962)
General Revenues:			
Ad valorem taxes	5,508,253	5,310,997	197,256
Sales taxes	3,007,111	3,189,862	(182,751)
Severance tax	1,171,189	1,106,071	65,118
Other revenues	2,370,520	2,431,517	(60,997)
Total revenues	<u>13,330,128</u>	<u>13,662,089</u>	<u>(331,961)</u>
Functions/Program Expenses:			
General government	3,782,038	3,741,081	40,957
Public safety	2,080,464	2,540,594	(460,130)
Public works	2,625,579	2,852,108	(226,529)
Health & welfare	1,005,348	739,544	265,804
Culture & recreation	2,449,843	2,647,663	(197,820)
Economic development	33,624	33,270	354
Interest on long-term debt	36,920	54,316	(17,396)
Total expenses	<u>12,013,816</u>	<u>12,608,576</u>	<u>(594,760)</u>
Increase (decrease) in net position	<u>\$ 1,316,312</u>	<u>\$ 1,053,513</u>	<u>\$ 262,799</u>

Governmental Activities As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$12,013,816. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$10,740,761 because some of the cost was paid by those who benefited from the programs \$421,900 or by other governments and organizations who subsidized certain programs with grants and contributions \$851,155.

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

In the table below, we have presented the cost of each of the Police Jury's six largest functions - Public works, Culture and recreation, Public safety, Judicial, Finance and administrative, and Health and welfare, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Years Ended December 31,
Governmental Activities**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
	<u>2013</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>
Public works	\$ 2,625,579	\$ 1,904,906	\$ 2,852,108	\$ 1,953,919
Culture & recreation	2,449,843	2,413,034	2,647,663	2,605,450
Public safety	2,080,464	1,982,134	2,540,594	2,321,906
Judicial	1,724,673	1,339,582	1,828,506	1,392,030
Finance & administrative	1,169,587	1,169,587	1,142,601	1,142,601
Health & welfare	1,005,348	1,005,348	739,544	739,544
All others	958,322	926,170	857,560	829,484
Totals	<u>\$12,013,816</u>	<u>\$10,740,761</u>	<u>\$12,608,576</u>	<u>\$10,984,934</u>

THE POLICE JURY'S FUNDS As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$12,921,631 which is an increase of \$924,498 from last year. The primary reasons for these increases are:

Our General Fund is our principal operating fund. The fund balance in the general fund decreased \$234,480 to \$3,862,407. This decrease is due mainly to completion of major grants and transfers to criminal court and court reporter funds.

The Sales Tax fund accounts for funds used for the purpose of blacktopping and sealing parish roads. This fund showed a slight increase of \$3,063 to \$586,032.

The Library fund accounts for funds used for maintenance and operation of the parish library. This fund showed an increase of \$215,923 to \$3,742,761. The increase was due mainly to the cut back of expenses to set aside reserves for 2014 election expense and upcoming major improvement.

The Special 2.5 Mill Tax fund accounts for the operation and maintenance of the parish courthouse and health unit financed by a special annual property tax levy. This fund showed an increase of \$107,506 to \$1,331,992. The increase was due mainly to less maintenance expense and cut backs in expenditures to set aside reserves for upcoming major improvements.

The Nonmajor Governmental funds are comprised of the debt service fund and special revenue funds (Solid

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Waste, Parish Road, Road District A, Road District B, Special Library, DA Asset Forfeiture, Criminal Court, and Court Reporter). The combined funds showed an increase of \$832,486 to \$3,398,439. The increase was mainly due to the Solid Waste fund royalties increased for commercial waste.

FUND BUDGETARY HIGHLIGHTS Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report).

General Fund There were quarterly revisions made to the 2013 General Fund original budget. The final budgeted amounts available for appropriations were decreased from the original budgeted amount of \$119,550 mainly due reduction in interest and other revenues. The final budgeted charges to appropriations were decreased from the original budgeted amount by \$394,591. This decrease was due to reduction in public safety.

The final budgeted amounts available for appropriations exceeded actual by \$223,017. This was due to a reduction in severance tax and grants. The final budgeted charges to appropriations exceeded actual by \$3,040,399, which was due to the Police Jury budgeting a contingency due to landfill. The Police Jury budgets this each year to cover potential landfill costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2013, the Police Jury had \$11,531,478 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net increase (including additions, deductions, and depreciation) of \$126,379, or 1.1% from last year. The major additions for 2013 were for the completion of a bus barn, two mack trucks and road improvements.

Capital Assets at Year-end

	Governmental Activities	
	2013	2012
Land	\$ 1,212,782	\$ 1,212,782
Construction in progress	-	289,626
Buildings and improvements	12,859,930	12,611,558
Infrastructure	1,979,460	1,584,244
Furniture, equipment & vehicles	5,853,989	5,565,228
Library books and information materials	1,428,818	1,337,120
Total net assets	<u>23,334,979</u>	<u>22,600,558</u>
Less: accumulated depreciation	<u>(11,803,501)</u>	<u>(11,195,459)</u>
Net capital assets	<u><u>\$ 11,531,478</u></u>	<u><u>\$ 11,405,099</u></u>

For further information on capital assets, see Note 6 of the Notes to the Basic Financial Statements.

**Webster Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Outstanding Debt, at Year-end

	Governmental Activities	
	<u>2013</u>	<u>2012</u>
General obligation bonds (backed by the Police Jury)	\$220,000	\$ 430,000
Limited tax bonds (backed by the Police Jury)	<u>475,000</u>	<u>695,000</u>
Total bonds	<u>\$695,000</u>	<u>\$1,125,000</u>

Other obligations include accrued vacation pay and other post-employment benefits. We present more detailed information about our long-term liabilities in Note 9 of Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the Police Jury's 2014 year budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. We have budgeted very little change in ad valorem and sales tax collections from 2013 to 2014. Approximately 63% of total revenue was from ad valorem and sales taxes for the fiscal year 2013.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Ronda Carnahan, Secretary-Treasurer, at the Webster Parish Police Jury, P. O. Box 389, Minden, Louisiana, 71058-0389, telephone number 318-377-7564.

BASIC FINANCIAL STATEMENTS

**Government-wide
Financial Statements (GWFS)**

WEBSTER PARISH POLICE JURY

STATEMENT OF NET POSITION
December 31, 2013

	PRIMARY <u>GOVERNMENT</u> GOVERNMENTAL ACTIVITIES	Statement A COMPONENT UNITS
ASSETS		
Cash and cash equivalents	\$ 5,380,498	\$ 688,883
Investments	2,611,059	528,783
Receivables	5,361,318	427,061
Prepaid items	287,208	80,122
Inventory	-	4,614
Capital assets not being depreciated	1,212,782	-
Capital assets, net of accumulated depreciation	10,318,696	1,528,182
TOTAL ASSETS	25,171,561	3,257,645
LIABILITIES		
Accounts payable vendors	132,395	210,769
Accrued payroll liabilities	190,467	14,158
Escrow payable	-	12,304
Interest payable	10,777	-
Unearned revenue	11,805	-
Due to other governments	163,911	-
Taxes paid under protest	45,919	-
Long-term liabilities		
Due within one year	641,574	70,118
Due in more than one year	1,134,777	5,736
TOTAL LIABILITIES	2,331,625	313,085
NET POSITION		
Net investment in capital assets	10,763,259	1,528,182
Restricted for:		
Debt service	232,039	-
Solid waste collection, road and jail	586,032	-
Library	4,108,287	-
Solid waste	908,028	-
Road	1,953,746	-
Courthouse and health unit	1,354,909	-
DA salaries and benefits	128	-
Criminal court	42,365	-
Court reporter	9,358	-
Grants	-	59,782
Unrestricted	2,881,785	1,356,596
TOTAL NET POSITION	\$ 22,839,936	\$ 2,944,560

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH POLICE JURY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY	COMPONENT
	EXPENSES	CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL	UNITS
					GOVERNMENTAL	UNITS
					ACTIVITIES	ACTIVITIES
				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
<i>Primary Government: Governmental Activities:</i>						
General government:						
Legislative	\$ 248,734	\$ -	\$ -	\$ -	\$ (248,734)	
Judicial	1,724,673	385,091	-	-	(1,339,582)	
Elections	42,547	-	-	-	(42,547)	
Finance and administrative	1,169,587	-	-	-	(1,169,587)	
Other general government	596,497	-	32,152	-	(564,345)	
Public safety	2,080,464	-	12,807	85,523	(1,982,134)	
Public works	2,625,579	-	569,727	150,946	(1,904,906)	
Health and welfare	1,005,348	-	-	-	(1,005,348)	
Culture and recreation	2,449,843	36,809	-	-	(2,413,034)	
Economic development and assistance	33,624	-	-	-	(33,624)	
Interest on long-term debt	36,920	-	-	-	(36,920)	
Total Governmental Activities	\$ 12,013,816	\$ 421,900	\$ 614,686	\$ 236,469	\$ (10,740,761)	
<i>Component units:</i>						
Community services	\$ 4,721,369	\$ 61,628	\$ 4,726,910	\$ -		\$ 67,169
E-911	457,448	443,721	-	-		(13,727)
Total Component Units	\$ 5,178,817	\$ 505,349	\$ 4,726,910	\$ -		\$ 53,442
General revenues:						
Taxes:						
					5,415,085	-
					93,168	-
					3,007,111	-
					260,094	-
					1,171,189	-
					367,884	-
					171,006	-
					426,648	-
					632,510	2,072
					512,378	37,154
					12,057,073	39,226
					1,316,312	92,668
					21,523,624	2,851,892
					\$ 22,839,936	\$ 2,944,560

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Webster Parish Police Jury



BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

WEBSTER PARISH POLICE JURY

GOVERNMENTAL FUNDS

Balance Sheet
December 31, 2013

	GENERAL	SALES TAX	LIBRARY	SPECIAL 2.5 MILL TAX
ASSETS				
Cash and cash equivalents	\$ 776,309	\$ 262,441	\$ 968,510	\$ 813,280
Investments	2,211,059	-	400,000	-
Receivables	895,341	329,596	2,612,213	605,162
Prepaid items	269,305	-	17,903	-
TOTAL ASSETS	4,152,014	592,037	3,998,626	1,418,442
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable vendors	51,724	6,005	32,220	31,163
Accrued payroll liabilities	30,267	-	105,027	24,331
Unearned revenue	11,805	-	-	-
Due to other governments	163,911	-	-	-
Taxes paid under protest	7,275	-	19,695	8,039
Total Liabilities	264,982	6,005	156,942	63,533
Deferred Inflows of Resources:				
Unavailable revenue-property taxes	24,625	-	98,923	22,917
Total Deferred Inflow of Resources	24,625	-	98,923	22,917
Fund Balances:				
Nonspendable - prepaid items	269,305	-	17,903	-
Restricted	-	586,032	3,724,858	1,331,992
Committed	2,000,000	-	-	-
Unassigned	1,593,102	-	-	-
Total Fund Balances	3,862,407	586,032	3,742,761	1,331,992
TOTAL LIABILITIES, DEFERRED INFLOWS RESOURCES, AND FUND BALANCES	\$ 4,152,014	\$ 592,037	\$ 3,998,626	\$ 1,418,442

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

	NONMAJOR GOVERNMENTAL		TOTAL
	\$ 2,559,958	\$	5,380,498
	-		2,611,059
	919,006		5,361,318
	-		287,208
	<u>3,478,964</u>		<u>13,640,083</u>
	11,283		132,395
	30,842		190,467
	-		11,805
	-		163,911
	<u>10,910</u>		<u>45,919</u>
	<u>53,035</u>		<u>544,497</u>
	<u>27,490</u>		<u>173,955</u>
	<u>27,490</u>		<u>173,955</u>
	-		287,208
	3,398,439		9,041,321
	-		2,000,000
	-		1,593,102
	<u>3,398,439</u>		<u>12,921,631</u>
	<u>\$ 3,478,964</u>	<u>\$</u>	<u>13,640,083</u>

Webster Parish Police Jury



WEBSTER PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2013**

Statement D

Total fund balances - governmental funds \$ 12,921,631

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 23,334,979	
Accumulated depreciation	<u>(11,803,501)</u>	11,531,478

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 173,955

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.

Balances at December 31, 2013 are:

Long-term liabilities		
Accrued interest payable	(10,777)	
Bonds payable	(695,000)	
Capital lease payable	(73,219)	
Compensated absences payable	(260,768)	
OPEB liability	<u>(747,364)</u>	
		<u>(1,787,128)</u>

Net position of governmental activities \$ 22,839,936

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH POLICE JURY

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures, and Changes
 in Fund Balances
 For the Year Ended December 31, 2013

	GENERAL	SALES TAX	LIBRARY	SPECIAL 2.5 MILL TAX
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 848,218	\$ -	\$ 2,936,654	\$ 680,325
Sales and use	-	3,007,111	-	-
Licenses and permits	426,648	-	-	-
Intergovernmental revenues:				
Federal grants	268,733	-	-	-
State funds:				
Parish transportation funds	-	-	-	-
State Revenue Sharing	67,544	-	75,286	58,004
Severance taxes	1,171,189	-	-	-
Other	392,578	-	-	-
Fees, charges, and commissions for services	10,000	-	-	2,396
Fines and forfeitures	-	-	36,809	-
Use of money and property	41,072	1,213	4,092	2,047
Other revenues	400,567	174,869	13,352	-
Total Revenues	3,626,549	3,183,193	3,066,193	742,772
EXPENDITURES				
Current:				
General government:				
Legislative	234,377	-	-	-
Judicial	564,966	-	-	-
Elections	40,995	-	-	-
Finance and administrative	1,043,525	-	-	-
Other general government	545,113	-	-	40,808
Public safety	412,814	1,558,878	-	-
Public works	-	1,493,741	-	-
Health and welfare	147,749	-	-	588,558
Culture and recreation	70,456	-	2,251,531	-
Economic development and assistance	33,624	-	-	-
Debt service:				
Principal retirement	-	35,781	220,000	-
Interest and bank charges	-	1,426	29,250	-
Capital outlay	207,410	224,554	349,489	5,900
Total Expenditures	3,301,029	3,314,380	2,850,270	635,266
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 325,520	\$ (131,187)	\$ 215,923	\$ 107,506

Statement E

	<u>NONMAJOR</u>		<u>TOTAL</u>
<u>GOVERNMENTAL</u>			
\$	869,101	\$	5,334,298
	-		3,007,111
	-		426,648
	-		268,733
	557,728		557,728
	59,260		260,094
	-		1,171,189
	-		392,578
	158,610		171,006
	385,091		421,900
	584,086		632,510
	93,591		682,379
	<u>2,707,467</u>		<u>13,326,174</u>
	-		234,377
	1,089,276		1,654,242
	-		40,995
	-		1,043,525
	3,063		588,984
	-		1,971,692
	724,856		2,218,597
	-		736,307
	-		2,321,987
	-		33,624
	210,000		465,781
	12,570		43,246
	395,216		1,182,569
	<u>2,434,981</u>		<u>12,535,926</u>
\$	<u>272,486</u>	\$	<u>790,248</u>

(CONTINUED)

WEBSTER PARISH POLICE JURY

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures, and Changes
 in Fund Balances
 For the Year Ended December 31, 2013

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>LIBRARY</u>	<u>SPECIAL 2.5 MILL TAX</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(560,000)	-	-	-
Capital lease	-	109,000	-	-
Insurance recoveries	-	25,250	-	-
Total Other Financing Sources (Uses)	<u>(560,000)</u>	<u>134,250</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(234,480)	3,063	215,923	107,506
FUND BALANCES - BEGINNING	<u>4,096,887</u>	<u>582,969</u>	<u>3,526,838</u>	<u>1,224,486</u>
FUND BALANCES - ENDING	<u>\$ 3,862,407</u>	<u>\$ 586,032</u>	<u>\$ 3,742,761</u>	<u>\$ 1,331,992</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 560,000	\$ 560,000
-	(560,000)
-	109,000
-	25,250
<u>560,000</u>	<u>134,250</u>
832,486	924,498
<u>2,565,953</u>	<u>11,997,133</u>
<u>\$ 3,398,439</u>	<u>\$ 12,921,631</u>

(CONCLUDED)

WEBSTER PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2013**

		Statement F
Total net change in fund balances - governmental funds	\$	924,498
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period:		
Capital outlay	\$ 1,182,569	
Depreciation expense	<u>(860,939)</u>	321,630
Loss on sale of asset		(195,251)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		173,955
In the Statement of Activities, certain operating expenses-compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation earned (\$142,674) exceeded vacation used (\$134,869) by \$7,805.		(7,805)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.		(109,000)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		6,326
Repayment of bond principal and capital lease payments are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Bond principal	430,000	
Capital lease	35,781	
OPEB liability	<u>(263,822)</u>	<u>201,959</u>
Change in net position of governmental activities.	\$	<u><u>1,316,312</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH POLICE JURY
FIDUCIARY FUND - AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2013

Statement G

	DRUG SEIZURE AND FORFEITURE	MASTER BANK	TOTAL
ASSETS			
Cash	\$ 114,611	\$ 195,796	\$ 310,407
Total assets	114,611	195,796	310,407
LIABILITIES			
Payroll withholdings	-	195,796	195,796
Amounts pending per court order	114,611	-	114,611
Total liabilities	\$ 114,611	\$ 195,796	\$ 310,407

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH POLICE JURY

COMPONENT UNITS
Combining Statement of Net Position
December 31, 2013

Statement H

	COMMUNITY SERVICES	E-911	TOTAL
ASSETS			
Cash and cash equivalents	\$ 240,026	\$ 448,857	\$ 688,883
Investments	172,549	356,234	528,783
Receivables	357,049	70,012	427,061
Prepaid items	63,688	16,434	80,122
Inventory	4,614	-	4,614
Capital assets, net of accumulated depreciation	1,282,585	245,597	1,528,182
TOTAL ASSETS	2,120,511	1,137,134	3,257,645
LIABILITIES			
Accounts payable vendors	158,718	52,051	210,769
Accrued payroll liabilities	13,792	366	14,158
Escrow payable	12,304	-	12,304
Long-term liabilities:			
Compensated absences - due within one year	70,118	-	70,118
Compensated absences - due in more than one year	5,736	-	5,736
TOTAL LIABILITIES	260,668	52,417	313,085
NET POSITION			
Net investment in capital assets	1,282,585	245,597	1,528,182
Restricted for grants	59,782	-	59,782
Unrestricted	517,476	839,120	1,356,596
TOTAL NET POSITION	\$ 1,859,843	\$ 1,084,717	\$ 2,944,560

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH POLICE JURY

COMPONENT UNITS
Combining Statement of Activities
For the Year Ended December 31, 2013

Statement I

	EXPENSES	PROGRAM REVENUES		NET (EXPENSES) / REVENUE		TOTAL NET (EXPENSE) REVENUES AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	COMMUNITY SERVICES	E-911	
Community Services						
Health and welfare	\$ 4,721,369	\$ 61,628	\$ 4,726,910	\$ 67,169	\$ -	\$ 67,169
E-911						
Public safety	457,448	443,721	-	-	(13,727)	(13,727)
Total Component Units	\$ 5,178,817	\$ 505,349	\$ 4,726,910	67,169	(13,727)	53,442
General revenues:						
Investment earnings				142	1,930	2,072
Other general revenues				37,101	53	37,154
Total general revenues				37,243	1,983	39,226
Changes in net position				104,412	(11,744)	92,668
Net position - beginning				1,755,431	1,096,461	2,851,892
Net position - ending				\$ 1,859,843	\$ 1,084,717	\$ 2,944,560

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Webster Parish Police Jury

<u>INDEX</u>	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	35
A. REPORTING ENTITY	35
B. FUNDS	36
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	37
D. ENCUMBRANCES	38
E. CASH AND CASH EQUIVALENTS	38
F. INVESTMENTS	39
G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS)	40
H. ELIMINATION AND RECLASSIFICATIONS	40
I. INVENTORY AND PREPAID ITEMS	40
J. CAPITAL ASSETS	40
K. COMPENSATED ABSENCES	40
L. LIABILITIES	41
M. RESTRICTED NET POSITION	41
N. FUND EQUITY OF FUND FINANCIAL STATEMENTS	42
O. INTERFUND TRANSACTIONS	42
P. SALES TAXES	42
Q. UNEARNED REVENUE	42
R. USE OF ESTIMATES	43
S. LONG-TERM OBLIGATIONS	43
T. RISK MANAGEMENT	43
U. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES	43
NOTE 2 - LEVIED TAXES	43
NOTE 3 - DEPOSITS	45
NOTE 4 - INVESTMENTS	45
NOTE 5 - RECEIVABLES	46
NOTE 6 - CAPITAL ASSETS	47
NOTE 7 - RETIREMENT SYSTEMS	49
NOTE 8 - COMPENSATED ABSENCES	51
NOTE 9 - LONG-TERM LIABILITIES	51
NOTE 10 - CRIMINAL COURT FUND	53
NOTE 11 - INTERFUND TRANSFERS IN/OUT (FFS LEVEL ONLY)	53
NOTE 12 - LITIGATION AND CLAIMS	53
NOTE 13 - RISK MANAGEMENT	53
NOTE 14 - LANDFILL CLOSURE AND POST CLOSURE CARE COST	53
NOTE 15 - OTHER POST EMPLOYMENT BENEFITS (OPEB)	54
NOTE 16 - OPERATING LEASES	56
NOTE 17 - FUND BALANCE CLASSIFICATIONS DETAILS	56
NOTE 18 - INSURANCE RECOVERIES	57

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The Webster Parish Police Jury (the Police Jury) is the governing authority for Webster Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by twelve jurors representing the various districts within the parish who are elected to serve four-year terms.

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

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, airport facilities, and health care facilities.

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

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the Webster Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

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

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
Webster Parish Office of Community Services (Community Action)	Discrete	December 31	1 and 3
Webster Parish Communication District (E-911)	Discrete	December 31	3
Twenty-sixth Judicial District Criminal Court Fund	Blended	December 31	2 and 3
Not included within the reporting entity:			
Sarepta Waterworks District		December 31	1
Doyline Waterworks District		December 31	1
Springhill Fire Protection District		December 31	1
Evergreen Fire Protection District		December 31	1
Heflin Fire Protection District		December 31	1
Cullen Fire Protection District		December 31	1
Dixie Inn Fire Protection District		June 30	1
Cotton Valley Fire Protection District		December 31	1

The Police Jury has chosen not to include the component units above in its basic financial statements; however, these are necessary in order for the Police Jury to be reporting in conformity with GAAP. Separate financial statements for the component units can be obtained by contacting the component unit. If these component units were included it would be through discrete presentation.

The Police Jury is also responsible for appointing a majority of the members of the boards of the Doyline Fire Protection District but the Police Jury's accountability for the organization does not extend beyond making appointments.

B. FUNDS The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The governmental funds are divided into separate "fund types." Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on the recovering the cost of providing services to the public or other agencies through service charges or user fees. The Police Jury's current operations require the use of governmental funds. The fund types used by the Police Jury are described as follows:

Governmental Funds

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

Sales Tax fund - accounts for proceeds and use of sales taxes.

Library fund - accounts for the activities performed for the public library. The main source of revenue is ad valorem tax restricted for the library.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Special 2.5 Mill Tax fund - accounts for the operation and maintenance of the parish courthouse and health unit. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

Fiduciary Funds

Fiduciary Funds - are used to account for assets held on behalf of the outside parties, including other governments, or on behalf of other funds within the Police Jury.

Agency funds - account for assets that the Police Jury holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. The agency funds are as follows:

Drug Seizure and Forfeiture fund - accounts for funds received from assets seized in drug related matters.

Master bank fund - combining fund equity for all other funds of the Police Jury.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflow/outflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

Program revenues Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Allocation of indirect expenses The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FES)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues Ad valorem taxes and the related state revenue sharing are recorded in the year they are assessed.

Ad valorem taxes are assessed on a calendar-year basis and become due on the date November 15 of each year, and become delinquent on December 31. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year. The ad valorem tax receivable at December 31, 2013 was \$4,755,681.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Sales taxes are recognized when received by the Police Jury's collections agent, Webster Parish Sales Tax Agency.

Interest income on investments is recorded when earned and the income is available.

Substantially all other revenues are recorded when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations, which are recognized when due.

Other Financing Sources (Uses) Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

D. ENCUMBRANCES Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

E. CASH AND CASH EQUIVALENTS Cash includes amounts petty cash, in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state in the United States or under the laws of United States.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

F. **INVESTMENTS** Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Police Jury reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Short term investments are reported at amortized cost which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Police Jury and the Webster Parish Office of Community Services and Webster Parish Communication District (E-911), component units of the Police Jury, participate in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC. LAMP is a 2a7-like investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the Board of Directors. LAMP is not registered with the SEC as an investment company.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS) During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables. Receivables and payables between the primary government and discretely presented component units are disclosed separately from interfund balances as due to/from component units.

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net position and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

I. INVENTORY AND PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method.

J. CAPITAL ASSETS Capital assets for the Police Jury purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their estimated fair value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight line depreciation is used based on the following estimated useful lives:

Buildings	20-40 years
Infrastructure	40 years
Furniture and equipment	5 - 10 years
Vehicles	5-15 years
Library books and related materials	5 years
Intangibles-software	5 years
Intangibles-other	5 years

GASB No. 34 requires the Police Jury to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Police Jury. The Police Jury does not and is not required to retroactively report infrastructure constructed before January 1, 2004. The Police Jury's policy is to capitalize infrastructure construction or improvements of \$100,000 or more.

Capital Assets for the Community Services of Webster Parish and Webster Parish Communication District (E-911) (component units) purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their estimated fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of the asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight line depreciation is used based on the same estimated useful lives listed above for the Police Jury.

K. COMPENSATED ABSENCES All full-time employees of the Police Jury, Office of Community Services and criminal court earn annual leave at rates varying from 10 to 25 days per year, depending on length of service. Employees may accumulate up to a maximum of 90 days of annual leave. Employees hired after January 1, 2006 may carry forward 30 days. No more than 30 days of annual leave will be paid out due to termination, retirement, or death of the employee. All full-time permanent employees earn one sick day per month. Sick leave may be accumulated without limitation. Upon retirement, unused sick leave is used in the retirement

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

benefit computation as earned service. Employees are not compensated for accumulated sick leave upon separation of service.

Full-time employees of the Webster Parish Library earn from two to 5 weeks of vacation leave, depending on their job classification. Part-time employees earn vacation leave each year in proportion to the number of hours worked per week on a regular basis. Vacation leave can be accrued up to a maximum of six work weeks. Upon resignation or retirement, employees receive payment for unused vacation leave. Sick leave with pay is allowed for all full-time and part-time employees working on a regular basis in the amount of two work weeks per year. Sick leave can be accumulated up to a maximum of 12 work weeks. Sick leave lapses upon termination of employment.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

Employees of the Community Services of Webster Parish (component unit) earn from 12 to 18 days of vacation and sick leave each year, depending on length of service. Upon termination, an employee is compensated for the current program year's unused annual leave time and up to 160 hours of previous years' annual leave.

The Police Jury's recognition and measurement criterion for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

The employees' right to receive compensation is attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

L. LIABILITIES For government-wide reporting, the costs associated with the bonds, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred as established by GASB No. 65.

For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation. \$8,876,438 of the Police Jury's net position is restricted by enabling legislation.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

N. FUND EQUITY OF FUND FINANCIAL STATEMENTS Fund balances are reported in the following categories:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Police Jury's highest level of decision making authority. The Jury is the highest level of decision making authority of the Police Jury that can, by adoption of a resolution prior to fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Jury removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the Police Jury's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned: Fund balance that is the residual classification for the general fund or a deficit fund balance in other funds.

The Police Jury reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The Police Jury considers restricted amounts have been spent when an expenditure has incurred for purpose for which both restricted and unrestricted fund balance is available.

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. SALES TAXES The Police Jury has a one half of one percent sales and use tax, which was passed by the voters at a special election on May 5, 1984. The tax went into effect on June 1, 1984 and will remain in effect for an indefinite period. The tax is to be used for solid waste collection and disposal; constructing, maintaining, and improving public roads, streets, highways and bridges; and constructing and renovating jail and penal farm facilities.

Q. UNEARNED REVENUE Unearned revenues arise when assets are recognized before the revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that were not collected within the available period are recorded as unearned revenue.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

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

S. LONG-TERM OBLIGATIONS In the government-wide financial statements, long-term debt and other long-term obligations are reported a liability in the applicable governmental activities in the statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost, except any portion related to prepaid insurance costs are expensed in the period incurred. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the acute debt proceeds received, are reported as debt service expenditures.

T. RISK MANAGEMENT The Police Jury is exposed to various risks of losses related to torts, theft of, damage to, and destructions of assets; error and omissions; injuries to employees; and natural disasters. The Police Jury maintains insurance to cover such risk. In the past, the insurance has been sufficient to cover any settlements. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

U. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow or resources (expense/expenditure) until then. The Police Jury does not have any item that qualifies for reporting in this category.

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

NOTE 2 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within Webster Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Webster Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Webster Parish Sheriff's Office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Millage rates adopted/levied	August
Tax bills mailed	On or about November 8, 2013
Due date	December 31, 2013
Collection dates	December 31, 2013 through April 2014
Penalty and interest accrues	January 1, 2014

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 3 - DEPOSITS At December 31, 2013, the Police Jury had cash and cash equivalents (book balances) as follows:

Demand deposits (cash and cash equivalents per Statement A)	\$ 5,380,273
Time deposits (reported as investments per Statement A)	2,606,977
Demand deposits (cash and cash equivalents per Statement G – Agency funds)	310,407
Petty cash (cash and cash equivalents per Statement A)	225
Total	<u><u>\$ 8,297,882</u></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.

Custodial Credit Risk-Deposits: At year-end the bank balance for the Police Jury was \$8,766,349. Of the bank balance, \$2,206,651 was covered by federal depository insurance or by collateral held by the Police Jury's agent in the Police Jury's name. The remaining balance, \$6,559,698 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Police Jury's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, 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 has failed to pay deposited funds upon demand. The Police Jury's policy does not address custodial credit risk.

Interest Rate Risk-Deposits: The Police Jury's policy does not address interest rate risk.

Discretely Presented Component Units:

At December 31, 2013, the Community Services of Webster Parish (component unit) has demand deposits (book balances) totaling \$240,026. The bank balance of \$303,543 was secured by federal depository insurance or by collateral held by the fiscal agent but not in Community Service's name.

At December 31, 2013, the E-911 component unit has demand deposits (book balances) totaling \$448,857. The bank balance of \$572,977 was secured by federal depository insurance or by collateral held by their fiscal agent but not in E-911's name.

NOTE 4 - INVESTMENTS At year end, the Police Jury investment balances were as follows:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair value Carrying Amount</u>	<u>% of Investments</u>
External investment pool - Lamp	Less than one year	AAAM	\$ 3,393	83%
Money market	Less than one year	N/A	689	17%
Total investments			<u><u>\$ 4,082</u></u>	
Time deposits reported as investments			<u>2,606,977</u>	
Total investments reported in Statement A			<u><u>\$ 2,611,059</u></u>	

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Investments held at December 31, 2013 consist of \$3,393 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit Risk: LAMP is rated AAAm by Standard and Poor's.

Custodial Credit Risk-Investments: The money market fund is registered in the name of the Webster Parish Police Jury and is insured by the Securities Investor Corporations (SPIC) and is therefore not exposed to custodial credit risk.

LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest note risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 60 as of December 31, 2013.

Discretely Presented Component Units:

At December 31, 2013, Community Services of Webster Parish (component unit) had investments of \$172,549 in the Louisiana Asset Management Pool and the E911 (component unit) had investments totaling \$356,234, in which \$255,842 is in the Louisiana Asset Management Pool and \$100,752 is in certificates of deposit.

NOTE 5 - RECEIVABLES The following is a summary of receivables at December 31, 2013:

<u>Class of Recievables</u>	<u>General</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>	<u>Nonmajor Governmental</u>	<u>Community Services</u>	<u>E911</u>	<u>Total</u>
Ad Valorem taxes	\$ 764,370	\$ -	\$ 2,612,213	\$ 605,162	\$ 773,936	\$ -	\$ -	\$ 4,755,681
Sales and use taxes	-	285,680	-	-	-	-	-	285,680
Intergovernmental	121,785	43,916	-	-	90,162	835	-	256,698
Grants	3,122	-	-	-	-	356,214	-	359,336
Fees, charges, and commissions for services	-	-	-	-	20,560	-	70,012	90,572
Other	6,064	-	-	-	34,348	-	-	40,412
Total	\$ 895,341	\$ 329,596	\$ 2,612,213	\$ 605,162	\$ 919,006	\$ 357,049	\$ 70,012	\$ 5,788,379

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

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 6 - CAPITAL ASSETS The following schedule presents changes in capital assets for governmental activities:

	Balance at Beginning	Additions	Deletions	Balance at Ending
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 1,212,782	\$ -	\$ -	\$ 1,212,782
Construction in progress	289,626	150,946	440,572	-
Total	<u>1,502,408</u>	<u>150,946</u>	<u>440,572</u>	<u>1,212,782</u>
Capital assets, being depreciated				
Buildings and improvements	12,611,558	248,372	-	12,859,930
Infrastructure	1,584,244	395,216	-	1,979,460
Furniture, equipment & vehicles	5,565,228	341,291	52,530	5,853,989
Library books and information materials	1,337,120	295,116	203,418	1,428,818
Total	<u>21,098,150</u>	<u>1,279,995</u>	<u>255,948</u>	<u>22,122,197</u>
Less accumulated depreciation:				
Buildings and improvements	5,629,646	337,570	-	5,967,216
Infrastructure	173,982	43,426	-	217,408
Furniture, equipment & vehicles	4,752,941	228,922	51,099	4,930,764
Library books and information materials	638,890	251,021	201,798	688,113
Total accumulated depreciation	<u>11,195,459</u>	<u>860,939</u>	<u>252,897</u>	<u>11,803,501</u>
Total capital assets being depreciated	<u>9,902,691</u>	<u>419,056</u>	<u>3,051</u>	<u>10,318,696</u>
Governmental activities capital assets, net	<u>\$ 11,405,099</u>	<u>\$ 570,002</u>	<u>\$ 443,623</u>	<u>\$11,531,478</u>

Depreciation expense was charged to the governmental activities as follows:

Judicial	\$ 5,978
Finance & administrative	111,078
Other general government	3,583
Public Safety	36,424
Public Works	258,504
Health & Welfare	38,390
Culture & Recreation	406,982
Total	<u>\$ 860,939</u>

The Police Jury had completed two projects this year in construction in progress. One of the projects, which was funded with a DOTD grant, was for a bus barn, which had a cost of \$248,372; this project was moved to buildings and improvements upon completion. The second project was funded by LCDBG for infrastructure-water system improvement with a cost of \$192,200. This project was transferred to Jenkins Water System, Inc. who is responsible for the operations and maintaining of this system. Therefore, this project was deleted out of construction in progress upon completion.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Discretely Presented Component Units:

The following schedule presents changes in capital assets for the Community Service:

	Balance at January 1, 2013	Additions	Deletions	Balance at December 31, 2013
Capital assets, being depreciated:				
Buildings and improvements	\$ 927,704	\$ -	\$ -	\$ 927,704
Furniture, equipment and vehicles	2,132,694	157,990	-	2,290,684
Total	<u>3,060,398</u>	<u>157,990</u>	<u>-</u>	<u>3,218,388</u>
Less accumulated depreciation:				
Buildings and improvements	222,778	31,381	-	254,159
Furniture, equipment and vehicles	1,566,399	115,245	-	1,681,644
Total	<u>1,789,177</u>	<u>146,626</u>	<u>-</u>	<u>1,935,803</u>
Total capital assets, being depreciated, net	<u>1,271,221</u>	<u>11,364</u>	<u>-</u>	<u>1,282,585</u>
Component units, capital assets net	<u>\$ 1,271,221</u>	<u>\$ 11,364</u>	<u>\$ -</u>	<u>\$ 1,282,585</u>

Depreciation expense was charged to component unit – Community Service as follows:

Health and welfare \$146,626

The following schedule presents changes in capital assets for E-911:

	Balance at January 1, 2013	Additions	Deletions	Balance at December 31, 2013
Capital assets, not being depreciated:				
Land	\$ 5,000	\$ -	\$ -	\$ 5,000
Total	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Capital assets, being depreciated:				
Buildings and improvements	147,292	2,292	-	149,584
Furniture, equipment and vehicles	436,683	2,230	4,584	434,329
Total	<u>583,975</u>	<u>4,522</u>	<u>4,584</u>	<u>583,913</u>
Less accumulated depreciation:				
Buildings and improvements	78,622	4,248	-	82,870
Furniture, equipment and vehicles	220,195	44,835	4,584	260,446
Total	<u>298,817</u>	<u>49,083</u>	<u>4,584</u>	<u>343,316</u>
Total capital assets, being depreciated, net	<u>285,158</u>	<u>(44,561)</u>	<u>-</u>	<u>240,597</u>
Component units, capital assets net	<u>\$ 290,158</u>	<u>\$ (44,561)</u>	<u>\$ -</u>	<u>\$ 245,597</u>

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Depreciation expense was charged to the component unit – E-911 as follows:

Public Safety	<u>\$49,083</u>
---------------	-----------------

NOTE 7 - RETIREMENT SYSTEMS Substantially all employees of the Police Jury are members of Plan A 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 district 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 are eligible to participate in the System. As of January 1, 1997, elected officials, excepting coroners, justices of the peace and parish presidents, may not longer join the retirement system. Those elected officials enrolled as of January 1, 1997 will maintain memberships along as they hold office. Parish presidents have an option to join at any time within twelve months of taking the oath of office. Under Plan A, employees who retire at or after age 65 with a minimum of seven years of creditable service, at or after age 60 with at least ten 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 three 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. 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 financial report that included financial statements and required supplementary information. That report may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the 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 Police Jury and Component units 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 Police Jury's contributions to the System under Plan A for the years ending December 31, 2013, 2011 and 2010, were \$473,689, \$434,957, and \$439,600, respectively, equal to the required contribution for each year. The Police Jury contributed 100% of the actuarially required contributions for all three years.

Discretely Presented Component Units:

The Webster Parish Office of Community Services established a profit sharing plan for its employees effective September 1, 1998. The profit sharing plan is a defined contribution plan established under Section 4019(a) of the internal Revenue code and is administered by the Office of Community Services. The Office of Community Services reserves the right to terminate the plan or to amend it. Participants and beneficiaries in the profit sharing plan are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Contributions are made, in the discretion of the employer, annually to the plan. Contributions made are credited to the individual accounts of the employees who are participants in the plan for the year the contribution is made. The amounts credited to individual account are invested by the plan trustee, and any gain or loss from plan investments is credited to or charges against, in the individual account of each participant. After the participant terminated his service with the employer, the vested percentage of the account credited to the participants will be distributed to him or her.

All employees are eligible to participate in the profit sharing plan on the first day of employment. Vesting rules of employees under the plan are as follows:

Employees will be 100% vested under any of the following circumstances:

1. The retirement age is reached, which is the date of attainment of age 60.
2. Death occurs during employment.
3. Total and permanent disability occurs during employment.

If termination of employment occurs for any reason other than retirement, death, or total and permanent disability, the percentage of vesting is determine as follows:

Year of Service	Percentage of Vesting
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

In November, 2013 the Office of Community Services entered into an agreement with Mutual of America to participate in a 401(k) defined contribution plan. The plan is modeled after the prior profit-sharing plan having the same requirements for eligibility and the same requirements for vesting. The plan was approved by the Board and any changes to the plan must be approved by the Board.

The Office of Community Services acts as the plan administrator and establishes separate accounts for each employee. An employee who wishes to participate in the plan will complete an application which is forwarded to the plan trustee for review and approval of the percentages and types of investment options chosen. The employee can decide the percentage of deductions and type(s) of investments but no less than 1% of their salary may be chosen for salary reduction. Included in the options for employees is the option to participate in a Roth account. There is also a catch-up option for those employees who wish to have a larger portion deducted from their salaries. The employer (plan administrator) contributes 4% of the employee's salary per year.

The employer contributions by the Office of Community Services for the year ended December 31, 2013 were \$66,084 (\$46,951 under the profit-sharing plan and \$19,133 under the 401(k) plan). No employee contributions were made under the 401(k) plan nor under the profit sharing plan for fiscal year ended December 31, 2013.

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 8 - COMPENSATED ABSENCES At December 31, 2013, employees of the Police Jury, Library, and Criminal Court had accumulated and vested \$260,768 of employee leave benefits. The liability for compensated absences includes salary related benefits.

Discretely Presented Component Units:

The employees of the Office of Community Services had accumulated and vested leave benefits including salary related benefits of \$75,854 at year-end. The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized in the appropriate fund when leave is actually taken.

NOTE 9 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
General obligation debt	\$ 1,125,000	\$ -	\$ 430,000	\$ 695,000	\$ 452,000
Capital lease	-	109,000	35,781	73,219	54,705
Compensated absences	252,963	142,674	134,869	260,768	134,869
OPEB Liability	483,542	388,055	124,233	747,364	-
Total	<u>\$ 1,861,505</u>	<u>\$ 639,729</u>	<u>\$ 724,883</u>	<u>\$ 1,776,351</u>	<u>\$ 641,574</u>

The compensated absence liability will be liquidated by General Fund 17%, Special Revenue Fund 37%, and Library Fund 28% with the remaining 18% being liquated by various other funds. Capital lease will be liquidated by the Sales Tax Fund.

Bonds payable at December 31, includes the following issues:

	Amount
2003 General obligation refunding bonds:	
\$2,020,000 General Obligation Bonds, dated 5/5/03; due in annual principal installments of \$150,000 - \$220,000 through March 1, 2014; interest at 1.55% to 3.90%; secured by levy and collection of ad valorem taxes	\$ 220,000
Limited Tax bonds:	
\$1,791,000 Limited Tax Bonds, dated 7/21/06; due in annual principal installments of \$147,000-\$243,000 through March 1, 2015; interest at 0.100%-5.00%; secured by levy and collections of ad valorem taxes	475,000
Total bonds	<u>\$ 695,000</u>

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

The annual requirement to amortize long-term debt outstanding as of December 31, 2013, including interest payments are as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2014	\$ 452,000	\$ 22,240	\$ 474,240
2015	243,000	6,075	249,075
Total	<u>\$ 695,000</u>	<u>\$ 28,315</u>	<u>\$ 723,315</u>

At December 31, 2013, \$242,816 was available in Debt Service Fund to service the 2003 general obligation bonds.

In accordance with Louisiana Revised Statute 39:562, the Police Jury and its component units are legally restricted from incurring long-term bonded general obligation debt in excess of ten percent of the assessed value of taxable property in the parish or district. At December 31, the statutory limit is \$29,846,484 and net outstanding bonded general obligation debt totaled \$0. The Police Jury is within limits required by statute.

In accordance with Louisiana Revised Statute 39:742.2, the principal and interest due on Limited Tax bonds in any year on the amount so borrowed for and on behalf of any political subdivision in anticipation of the revenues to be received from a special ad valorem tax shall not exceed seventy-five percent of the revenues estimated to be realized from the levy of such special tax in the year in which such bonds are issued. The principal and interest due from 2013 ad valorem taxes is \$249,950. The estimated revenue amount calculated at issuance of the bonds was \$1,627,000, of which seventy-five per cent allowed would be \$1,220,250. The Police Jury is within limits required by statute. Principal and interest payments for the Limited Tax bonds are made from ad valorem taxes collected for the Library Fund.

Capital Lease: During the year ended December 31, 2013, the Police Jury purchased a 2013 Mack Dump Truck under a capital lease. The purchase of the truck was through a lease-purchase agreement financed through Bancorp South with a cost of \$109,000 for 24 months at 2.29% interest. For December 31, 2013, the depreciation expense was \$8,175 and the total accumulated depreciation was \$8,715.

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of December 31, 2013:

	<u>2013 Mack Truck</u>
Fiscal year:	
2014	\$ 55,810
2015	18,603
Less amounts representing executory costs	<u>0</u>
Net minimum lease payments	74,413
Less amounts representing interest	1,194
Present value of net minimum lease payments	<u>\$73,219</u>

**Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013**

Discretely Presented Component Units:

Community Services Long Term Debt:	
Compensated Absences	
Beginning	\$ 61,665
Additions	85,684
Deletions	<u>71,495</u>
Ending Balance	<u>\$ 75,854</u>
Amount due within one year	<u><u>\$ 70,118</u></u>

NOTE 10 - CRIMINAL COURT FUND Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end-be transferred to the parish general fund. Criminal Court had a fund balance at the end of the year of \$42,365. Due to the General Fund transferring \$500,000 during the fiscal year to the criminal court fund to cover excess expenses, the General Fund chose not to transfer one-half of the remaining fund balance from the criminal court fund and decided to leave the fund balance in tact to assist in a reduction of future transfers from the general fund to the criminal court for excess expenses.

NOTE 11 - INTERFUND TRANSFERS IN/OUT (FFS LEVEL ONLY)

<u>Transferred In</u>	<u>Transferred Out</u>	<u>Amount</u>
Nonmajor Governmental	General Fund	<u>\$560,000</u>

Transfers were made to cover deficits in the criminal court and court reporter funds and assist with operating expenses.

NOTE 12 - LITIGATION AND CLAIMS

Litigation Per legal counsel, the Police Jury was not involved in any lawsuits at December 31, 2013.

Grant Disallowances The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

NOTE 13 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by commercial insurance through the Louisianan Rural Parish Insurance Cooperative, a self-insurance fund. This self-insurance program is a public entity risk pool which was approved by the State of Louisiana Insurance Commission. The cooperative operates as any other commercial insurance company. Three insurance companies currently share the excess coverage insurance. The first \$100,000 of all coverage is self-funded by the combined contributions of the members. No additional assessments can be made against the Police Jury. The Police Jury is responsible only for the payment of premiums.

NOTE 14 - LANDFILL CLOSURE AND POST CLOSURE CARE COST State and federal laws and regulations requires the Police Jury to place a final cover on its landfill site when it stops waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. In August 1997, the Police Jury entered into a long term lease of the landfill. At this time the Police Jury had completed closure costs on the landfill cells it had used under the terms of the lease, the new operator will be responsible for closure of all landfill

**Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013**

cells it utilizes and will also be responsible for all required post-closure activities related to such areas. Therefore no long-term debt due to landfill closure and post closure costs as defined in Governmental Accounting Standard No. 18 has been accrued. The Police Jury has \$2,000,000 in investments in the General Fund which are committed for any future landfill closure or post closure costs.

NOTE 15 - OTHER POST EMPLOYMENT BENEFITS (OPEB) Effective with the fiscal year ended December 31, 2009, the Webster Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45)*.

Plan description - The Police Jury’s OPEB plan is a single-employer defined benefit “substantive plan” as understood by past practices of the Police Jury and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Substantially all of the Police Jury’s employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. The OPEB plan does not issue a stand-alone financial report.

Funding Policy - The insurance for retired individuals is provided through the Police Jury’s group plan, which covers both active and retired members. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The Police Jury pays the total premium less \$50 for retiree healthcare coverage.

The plan is currently financed on a “pay as you go basis”, with the Police Jury contributing \$124,233 for 21 retirees for the year ended December 31, 2013.

Annual Other Post Employment Benefit Cost and Liability - The Police Jury’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year amortization period (the maximum amortization period allowed by GASB 45) was used for post employment benefits. The total ARC for fiscal year 2013 is \$375,966 as set forth below:

Normal Cost	\$ 261,009
30-year UAL amortization amount	114,957
Annual required contribution (ARC)	<u><u>\$ 375,966</u></u>

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

The following table presents the Police Jury's OPEB Obligation for fiscal years ending 2013, 2012, and 2011:

	2013	2012	2011
Beginning Net OPEB Obligation January 1,	\$ 483,542	\$ 392,851	\$ 283,449
Annual required contribution	375,966	196,029	196,029
Interest on prior year Net OPEB Obligation	12,089	9,821	11,337
Adjustment to ARC	-	-	-
Annual OPEB Cost	<u>388,055</u>	<u>205,850</u>	<u>207,366</u>
Less current year retiree premiums	<u>124,233</u>	<u>115,159</u>	<u>97,964</u>
Increase in Net OPEB Obligation	<u>263,822</u>	<u>90,691</u>	<u>109,402</u>
Ending Net OPEB Obligation at December 31,	<u><u>\$ 747,364</u></u>	<u><u>\$ 483,542</u></u>	<u><u>\$ 392,851</u></u>

Utilizing the pay as you go method, the Police Jury contributed 32% of the annual post employment benefits cost during 2013, 56% during 2012, and 47% during 2011 respectively.

Funded Status and Funding Progress - Since the plan is not funded, the Police Jury's entire actuarial accrued liability of \$4,430,478 was unfunded.

The funded status of the plan, as determined by an actuary as of December 31, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 4,430,478
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 4,430,478</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 3,505,151
UAAL as a percentage of covered payroll	126%

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the February 13, 2014 Webster Parish Police Jury actuarial valuation using the alternative measure, the entry age actuarial cost method was used. The actuarial assumptions included a 2.5% rate of return on investments. The expected rate on increase in healthcare and pharmaceutical costs was based on Pre-Medicare and Medicare eligible graduated down from 8% in healthcare cost and 9% in pharmaceutical costs to an ultimate annual rate of 4.7% for both. The expected rate increase in Dental costs was based on Pre-Medicare and Medicare eligible graduated down from 4% to an ultimate annual rate of 3%. While vision costs remained constant at 3%. The RP 2000 system table

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

with floating Scale AA was used in making actuarial assumptions in regards to mortality rates. The average retirement age used in the valuation assumption was 63. The amortization method is the level percentage of payroll.

The remaining amortization period at December 31, 2013 for other post-employment benefits (OPEB) was twenty-five years.

The required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 16 - OPERATING LEASES The Police Jury leases a used Caterpillar asphalt paver, a postage machine and a printer under noncancelable operating leases. Total costs paid for such leases were \$72,265 for the year ended December 31, 2013. The minimum lease payments for these leases are as follows:

Year Ending December 31,	<u>Amount</u>
2014	\$ 72,265
2015	2,664
2016	2,664
2017	159
Total	<u>\$ 77,752</u>

NOTE 17 - FUND BALANCE CLASSIFICATION DETAILS: The following are details of the fund balance classifications:

	<u>General Fund</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Non-spendable:						
Prepaid items	\$ 269,305	\$ -	\$ 17,903	\$ -	\$ -	\$ 287,208
Restricted for:						
Solid waste collection, road and jail	-	586,032	-	-	-	586,032
Road	-	-	-	-	1,929,141	1,929,141
Library	-	-	3,724,858	-	266,603	3,991,461
Debt	-	-	-	-	242,816	242,816
Solid Waste	-	-	-	-	908,028	908,028
Operations & Maintenance of Courthouse & Health Unit	-	-	-	1,331,992	-	1,331,992
DA salary and benefits	-	-	-	-	128	128
Criminal court	-	-	-	-	42,365	42,365
Court reporter	-	-	-	-	9,358	9,358
Committed to:						
Landfill	2,000,000	-	-	-	-	2,000,000
Unassigned:	1,593,102	-	-	-	-	1,593,102
Total	<u>\$ 3,862,407</u>	<u>\$ 586,032</u>	<u>\$ 3,742,761</u>	<u>\$ 1,331,992</u>	<u>\$ 3,398,439</u>	<u>\$ 12,921,631</u>

Webster Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 18 - INSURANCE RECOVERIES: In the fiscal year ended December 31, 2013, the Police Jury received \$25,250 in insurance recoveries for damage to a tractor. These funds were classified as other financing sources within the Sales Tax fund.

REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of Funding Progress and
Budgetary Comparison Schedules**

Webster Parish Police Jury

**Schedule of Funding Progress For Other Post Employment Benefits
December 31, 2013**

<u>Fiscal Year End</u>	<u>Actuarial Valuation Date</u>	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry- Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) – (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
Dec. 31, 2009	May 24, 2010	\$ -	\$3,478,352	\$ -	\$3,478,352	\$3,228,386	108%
Dec. 31, 2010	May 24, 2010	-	3,478,352	-	3,478,352	3,328,695	104%
Dec. 31, 2011	February 22, 2012	-	3,061,802	-	3,061,802	3,463,246	88%
Dec. 31, 2012	February 22, 2012	-	3,061,802	-	3,061,802	3,457,433	89%
Dec. 31, 2013	February 13, 2014	-	4,430,478	-	4,430,478	3,505,151	126%

Webster Parish Police Jury

Budgetary Comparison Schedules

General Fund and Any Major Special Revenue Funds With a Legally Adopted Annual Budget

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

SALES TAX FUND - accounts for proceeds and use of sales taxes.

LIBRARY FUND - accounts for the activities performed for the public library. The main source of revenue is ad valorem tax restricted for the library.

SPECIAL 2.5 MILL TAX FUND - accounts for the operation and maintenance of the parish courthouse and health unit. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

WEBSTER PARISH POLICE JURY

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2013

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 4,096,887	\$ 4,096,887	\$ 4,096,887	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	750,000	750,000	848,218	98,218
Licenses and permits	370,500	399,250	426,648	27,398
Intergovernmental revenues:				
Federal grants	520,000	760,650	639,717	(120,933)
State funds:				
State revenue sharing	80,000	91,000	67,544	(23,456)
Severance taxes	1,300,000	1,300,000	1,171,189	(128,811)
Other	542,500	454,500	392,578	(61,922)
Fees, charges and commissions	10,000	10,000	10,000	-
Use of money and property	187,100	77,150	41,072	(36,078)
Other revenues	480,000	378,000	400,567	22,567
Transfers from other funds	100,000	-	-	-
Amounts available for appropriations	<u>8,436,987</u>	<u>8,317,437</u>	<u>8,094,420</u>	<u>(223,017)</u>
Charges to appropriations (outflows)				
General government:				
Legislative	220,300	227,000	234,377	(7,377)
Judicial	993,500	583,000	564,966	18,034
Elections	44,300	38,200	40,995	(2,795)
Finance and administrative	1,071,800	1,044,800	1,043,525	1,275
Other general government	3,210,395	3,457,931	545,113	2,912,818
Public safety	1,048,308	614,231	412,814	201,417
Health and welfare	543,800	549,000	518,733	30,267
Culture and recreation	82,050	75,550	70,456	5,094
Economic development and assistance	42,550	40,550	33,624	6,926
Capital outlay	10,000	242,150	207,410	34,740
Transfers to other funds	400,000	400,000	560,000	(160,000)
Total charges to appropriations	<u>7,667,003</u>	<u>7,272,412</u>	<u>4,232,013</u>	<u>3,040,399</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 769,984</u>	<u>\$ 1,045,025</u>	<u>\$ 3,862,407</u>	<u>\$ 2,817,382</u>

WEBSTER PARISH POLICE JURY

SALES TAX

Budgetary Comparison Schedule
For the Year Ended December 31, 2013

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 582,969	\$ 582,969	\$ 582,969	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales and use	3,201,000	3,181,000	3,007,111	(173,889)
Intergovernmental revenues:				
Use of money and property	500	1,200	1,213	13
Other revenues	1,000	150,000	174,869	24,869
Amounts available for appropriations	<u>3,785,469</u>	<u>3,915,169</u>	<u>3,766,162</u>	<u>(149,007)</u>
Charges to appropriations (outflows)				
Public safety	1,552,500	1,630,000	1,558,878	71,122
Public works	1,650,000	1,998,690	1,718,295	280,395
Debt service:				
Princial retirement	-	-	35,781	(35,781)
Interest and bank charges	-	-	1,426	(1,426)
Total charges to appropriations	<u>3,202,500</u>	<u>3,628,690</u>	<u>3,314,380</u>	<u>314,310</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 582,969</u>	<u>\$ 286,479</u>	<u>\$ 451,782</u>	<u>\$ 165,303</u>

WEBSTER PARISH POLICE JURY

LIBRARY

Budgetary Comparison Schedule
For the Year Ended December 31, 2013

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,526,838	\$ 3,526,838	\$ 3,526,838	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	2,625,560	2,625,560	2,936,654	311,094
Intergovernmental revenues:				
State funds:				
State revenue sharing	71,020	71,020	75,286	4,266
Fines and forfeitures	34,000	34,000	36,809	2,809
Use of money and property	5,000	5,000	4,092	(908)
Other revenues	12,455	12,455	13,352	897
Amounts available for appropriations	<u>6,274,873</u>	<u>6,274,873</u>	<u>6,593,031</u>	<u>318,158</u>
Charges to appropriations (outflows)				
Culture and recreation	2,578,010	2,578,010	2,251,531	326,479
Debt Service:				
Principal retirement	220,000	220,000	220,000	-
Interest and bank charges	29,250	29,250	29,250	-
Capital outlay	890,000	890,000	349,489	540,511
Total charges to appropriations	<u>3,717,260</u>	<u>3,717,260</u>	<u>2,850,270</u>	<u>866,990</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 2,557,613</u>	<u>\$ 2,557,613</u>	<u>\$ 3,742,761</u>	<u>\$ 1,185,148</u>

WEBSTER PARISH POLICE JURY
SPECIAL 2.5 MILL TAX
Budgetary Comparison Schedule
For the Year Ended December 31, 2013

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,224,486	\$ 1,224,486	\$ 1,224,486	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	634,000	634,000	680,325	46,325
Intergovernmental revenues:				
State funds:				
State Revenue Sharing	45,000	45,000	58,004	13,004
Fees, charges, and commissions for services	5,000	5,000	2,396	(2,604)
Use of money and property	2,000	2,000	2,047	47
Amounts available for appropriations	<u>1,910,486</u>	<u>1,910,486</u>	<u>1,967,258</u>	<u>56,772</u>
Charges to appropriations (outflows)				
General government:				
Other general government	47,900	47,900	40,808	7,092
Health and Welfare	638,100	637,600	588,558	49,042
Capital outlay	-	500	5,900	(5,400)
Total charges to appropriations	<u>686,000</u>	<u>686,000</u>	<u>635,266</u>	<u>50,734</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,224,486</u>	<u>\$ 1,224,486</u>	<u>\$ 1,331,992</u>	<u>\$ 107,506</u>

Webster Parish Police Jury

Notes to Budgetary Comparison Schedules For the Year Ended December 31, 2013

A. BUDGETS

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

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

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

For the year ended December 31, 2013, cash basis budgets were adopted for the general fund and all special revenue funds, except the criminal court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

The 2013 budget was amended quarterly. The Police Jury's final amended budget was approved December 3, 2013.

Encumbrances Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

Webster Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2013**

**B. BUDGET TO GAAP RECONCILIATION - EXPLANATION OF DIFFERENCES BETWEEN
BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES**

<u>Sources/inflows of resources:</u>	<u>General</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 8,094,420	\$ 3,766,162	\$ 6,593,031	\$ 1,967,258
Adjustment to revenue for grants that are budgeted; however these are eliminated for GAAP purposes for the grossing up effect	(370,984)	-	-	-
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	<u>(4,096,887)</u>	<u>(582,969)</u>	<u>(3,526,838)</u>	<u>(1,224,486)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 3,626,549</u>	<u>\$ 3,183,193</u>	<u>\$ 3,066,193</u>	<u>\$ 742,772</u>
 <u>Uses/Outflows of resources:</u>				
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	4,232,013	3,314,380	2,850,270	635,266
Adjustment to expenditures for grants that are budgeted; however these are eliminated for GAAP purposes for the grossing up effect	(370,984)	-	-	-
Transfers to other funds classified as expenditures for budgetary purposes and as an operating transfer for financial reporting	<u>(560,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 3,301,029</u>	<u>\$ 3,314,380</u>	<u>\$ 2,850,270</u>	<u>\$ 635,266</u>

SUPPLEMENTARY INFORMATION

Webster Parish Police Jury

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

WEBSTER PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS
 Combining Balance Sheet - By Fund Type
 December 31, 2013

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
ASSETS			
Cash and cash equivalents	\$ 2,385,362	\$ 174,596	\$ 2,559,958
Receivables	840,743	78,263	919,006
TOTAL ASSETS	3,226,105	252,859	3,478,964
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable vendors	11,283	-	11,283
Accrued payroll liabilities	27,779	3,063	30,842
Taxes paid under protest	6,815	4,095	10,910
Total Liabilities	45,877	7,158	53,035
Deferred Inflows of Resources:			
Unavailable revenue-property taxes	24,605	2,885	27,490
Total Deferred Inflows of Resources	24,605	2,885	27,490
Fund Balances:			
Restricted	3,155,623	242,816	3,398,439
Total Fund Balances	3,155,623	242,816	3,398,439
TOTAL LIABILITIES, DEFERRED INFLOWS RESOURCES, AND FUND BALANCES	\$ 3,226,105	\$ 252,859	\$ 3,478,964

WEBSTER PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS
 Combining Statement of Revenues, Expenditures,
 And Changes in Fund Balances - By Fund Type
 For the Year Ended December 31, 2013

	Exhibit 3		
	SPECIAL REVENUE	DEBT SERVICE	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 778,818	\$ 90,283	\$ 869,101
Intergovernmental revenues:			
State funds:			
Parish transportation funds	557,728	-	557,728
State Revenue Sharing	59,260	-	59,260
Fees, charges, and commissions for services	158,610	-	158,610
Fines and forfeitures	385,091	-	385,091
Use of money and property	583,749	337	584,086
Other revenues	93,591	-	93,591
	<u>2,616,847</u>	<u>90,620</u>	<u>2,707,467</u>
Total Revenues			
EXPENDITURES			
Current:			
General government:			
Judicial	1,089,276	-	1,089,276
Other general government	-	3,063	3,063
Public works	724,856	-	724,856
Debt service:			
Principal retirement	-	210,000	210,000
Interest and bank charges	-	12,570	12,570
Capital outlay	395,216	-	395,216
	<u>2,209,348</u>	<u>225,633</u>	<u>2,434,981</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>407,499</u>	<u>(135,013)</u>	<u>272,486</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>560,000</u>	<u>-</u>	<u>560,000</u>
Total Other Financing Sources (Uses)	<u>560,000</u>	<u>-</u>	<u>560,000</u>
Net Change in Fund Balances	967,499	(135,013)	832,486
FUND BALANCES - BEGINNING	<u>2,188,124</u>	<u>377,829</u>	<u>2,565,953</u>
FUND BALANCES - ENDING	<u>\$ 3,155,623</u>	<u>\$ 242,816</u>	<u>\$ 3,398,439</u>

Webster Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

SOLID WASTE FUND The Solid Waste Fund accounts for the receipt of tipping fees for use of the landfill and the operation of the solid waste landfill.

PARISH ROAD FUND The Parish Road Fund accounts for the construction and maintenance of the parish roads and bridges. Financing is provided primarily by the Parish Transportation funds and from the sale of surplus property.

ROAD DISTRICT MAINTENANCE FUNDS The Road District Maintenance Funds (A & B) account for the operations and maintenance of District A and B roads and bridges. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

SPECIAL LIBRARY FUND The Special Library Fund account for the receipt of proceeds of the use of the Library's copy machines and other equipment and property rentals. The revenues are to be used for the purpose of the purchase of capital equipment and property improvements for the Webster Parish Library System.

DA ASSET FOREITURE Authorized by the Webster Parish District Attorney for supplemental payroll reimbursement under Title 46:2400 eq. seq. The revenues are considered deemed contraband (drug money and drug vehicles) forfeited in accordance with the applicable state laws. Its primary activity is to provide additional revenues for payroll purposes.

CRIMINAL COURT FUND The criminal Court Fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district accounts and district attorney's conviction fees in criminal cases, be transferred to the parish treasurer and deposited in a special "Criminal Court Fund" account to be used for the expense of the criminal court of the parish. Expenditures shall be made from the fund on motion of the district attorney and approval of the district judge.

The statute also required that one-half of the surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General Fund.

COURT REPORTER FUND The Court Reporter Fund accounts for the operations of the court reporter for the district court. Financing is provided primarily by fees.

WEBSTER PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 2013

	SOLID WASTE	PARISH ROAD	ROAD DISTRICT A	ROAD DISTRICT B
ASSETS				
Cash and cash equivalents	\$ 873,680	\$ 361,644	\$ 448,724	\$ 396,603
Receivables	34,348	90,162	326,221	369,452
TOTAL ASSETS	908,028	451,806	774,945	766,055
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable vendors	-	-	4,466	-
Accrued payroll liabilities	-	-	13,533	14,246
Taxes paid under protest	-	-	3,574	3,241
Total Liabilities	-	-	21,573	17,487
Deferred Inflows of Resources:				
Unavailable revenue-property taxes	-	-	16,096	8,509
Total Deferred Inflows of Resources	-	-	16,096	8,509
Fund Balances:				
Restricted	908,028	451,806	737,276	740,059
Total Fund Balances	908,028	451,806	737,276	740,059
TOTAL LIABILITIES, DEFERRED INFLOWS RESOURCES, AND FUND BALANCES	\$ 908,028	\$ 451,806	\$ 774,945	\$ 766,055

Exhibit 4

<u>SPECIAL LIBRARY</u>	<u>DA ASSET FORFEITURE</u>	<u>CRIMINAL COURT</u>	<u>COURT REPORTER</u>	<u>TOTAL</u>
\$ 266,603	\$ 128	\$ 28,622	\$ 9,358	\$ 2,385,362
-	-	20,560	-	840,743
<u>266,603</u>	<u>128</u>	<u>49,182</u>	<u>9,358</u>	<u>3,226,105</u>
-	-	6,817	-	11,283
-	-	-	-	27,779
-	-	-	-	6,815
<u>-</u>	<u>-</u>	<u>6,817</u>	<u>-</u>	<u>45,877</u>
-	-	-	-	24,605
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,605</u>
<u>266,603</u>	<u>128</u>	<u>42,365</u>	<u>9,358</u>	<u>3,155,623</u>
<u>266,603</u>	<u>128</u>	<u>42,365</u>	<u>9,358</u>	<u>3,155,623</u>
<u>\$ 266,603</u>	<u>\$ 128</u>	<u>\$ 49,182</u>	<u>\$ 9,358</u>	<u>\$ 3,226,105</u>

WEBSTER PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	<u>SOLID WASTE</u>	<u>PARISH ROAD</u>	<u>ROAD DISTRICT A</u>	<u>ROAD DISTRICT B</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ 373,892	\$ 404,926
Intergovernmental revenues:				
State funds:				
Parish Transportation funds	-	557,728	-	-
State Revenue Sharing	-	-	34,053	25,207
Fees, charges, and commissions for services	-	18,502	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	567,105	13,752	1,052	1,282
Other revenues	-	-	-	-
	<u>567,105</u>	<u>589,982</u>	<u>408,997</u>	<u>431,415</u>
EXPENDITURES				
Current:				
General government:				
Judicial	-	-	-	-
Public Works	53,545	223,934	266,146	181,231
Capital outlay	-	178,475	-	216,741
	<u>53,545</u>	<u>402,409</u>	<u>266,146</u>	<u>397,972</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	513,560	187,573	142,851	33,443
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
	<u>513,560</u>	<u>187,573</u>	<u>142,851</u>	<u>33,443</u>
Net Change in Fund Balances	513,560	187,573	142,851	33,443
FUND BALANCES - BEGINNING	<u>394,468</u>	<u>264,233</u>	<u>594,425</u>	<u>706,616</u>
FUND BALANCES - ENDING	<u>\$ 908,028</u>	<u>\$ 451,806</u>	<u>\$ 737,276</u>	<u>\$ 740,059</u>

Exhibit 5

<u>SPECIAL LIBRARY</u>	<u>DA ASSET FORFEITURE</u>	<u>CRIMINAL COURT</u>	<u>COURT REPORTER</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ 778,818
-	-	-	-	557,728
-	-	-	-	59,260
42,660	-	78,849	18,599	158,610
-	49,727	335,364	-	385,091
554	4	-	-	583,749
-	-	93,591	-	93,591
<u>43,214</u>	<u>49,731</u>	<u>507,804</u>	<u>18,599</u>	<u>2,616,847</u>
-	52,038	961,298	75,940	1,089,276
-	-	-	-	724,856
-	-	-	-	395,216
<u>-</u>	<u>52,038</u>	<u>961,298</u>	<u>75,940</u>	<u>2,209,348</u>
43,214	(2,307)	(453,494)	(57,341)	407,499
-	-	500,000	60,000	560,000
43,214	(2,307)	46,506	2,659	967,499
<u>223,389</u>	<u>2,435</u>	<u>(4,141)</u>	<u>6,699</u>	<u>2,188,124</u>
<u>\$ 266,603</u>	<u>\$ 128</u>	<u>\$ 42,365</u>	<u>\$ 9,358</u>	<u>\$ 3,155,623</u>

**Webster Parish Police Jury
Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2013**

Exhibit 6

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.

Jim Bonsall, President	\$14,400
Vera Davison, Vice President	14,400
Bruce Blanton	14,400
Allen Gilbert	14,400
Daniel Thomas	14,400
Randy Thomas	14,400
Perry Kirkland	14,400
Steve Lemmons	14,400
Charles Odom	14,400
Jerri M. Lee	14,400
Steve Ramsey	14,400
Charles Walker	<u>14,400</u>
Total	<u>\$172,800</u>

**Webster Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2013**

	Housing Choice Vouchers
113 Cash - Other Restricted	\$32,011
100 Total Cash	<u>32,011</u>
125 Accounts Receivable - Miscellaneous	34,043
120 Total Receivables, Net of Allowances for Doubtful Accounts	<u>34,043</u>
142 Prepaid Expenses and Other Assets	1,298
150 Total Current Assets	<u>67,352</u>
160 Total Capital Assets, Net of Accumulated Depreciation	<u>0</u>
180 Total Non-Current Assets	<u>0</u>
190 Total Assets	<u><u>67,352</u></u>
312 Accounts Payable <= 90 Days	59,780
310 Total Current Liabilities	<u>59,780</u>
350 Total Non-Current Liabilities	<u>0</u>
300 Total Liabilities	<u>59,780</u>
511.4 Restricted Net Position	17,372
512.4 Unrestricted Net Position	(9,800)
513 Total Equity - Net Assets / Position	<u>7,572</u>
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	<u><u>\$67,352</u></u>

**Webster Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2013**

	14.871 Housing Choice Vouchers
70600 HUD PHA Operating Grants	\$607,152.00
71500 Other Revenue	122.00
72000 Investment Income - Restricted	42.00
70000 Total Revenue	<u>607,316.00</u>
91100 Administrative Salaries	29,822.00
91200 Auditing Fees	6,292.00
91500 Employee Benefit contributions - Administrative	8,235.00
91600 Office Expenses	17,706.00
91800 Travel	2,742.00
91900 Other	3,028.00
91000 Total Operating - Administrative	<u>67,825.00</u>
93800 Other Utilities Expense	<u>4,147.00</u>
93000 Total Utilities	<u>4,147.00</u>
96900 Total Operating Expenses	<u>71,972.00</u>
97000 Excess of Operating Revenue over Operating Expenses	<u>535,344.00</u>
97300 Housing Assistance Payments	<u>554,722.00</u>
90000 Total Expenses	<u>626,694.00</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	<u>(\$19,378.00)</u>
11030 Beginning Equity	26,950.00
11170 Administrative Fee Equity	(9,800.00)
11180 Housing Assistance Payments Equity	17,372.00
11190 Unit Months Available	2,124.00
11210 Number of Unit Months Leased	1,451.00

OTHER INFORMATION

WEBSTER PARISH COMMUNITY SERVICE

MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS
 Combining Balance Sheet
 December 31, 2013

	LOCAL 5000	PAYROLL 9000	LOCAL 0520	ZB ACCOUNT 0800	FAMILY DAYCARE 1000
ASSETS					
Cash and cash equivalents	\$ 53,467	\$ 16,745	\$ 11,894	\$ 400	\$ 14,055
Investments	-	-	-	-	-
Receivables	-	-	835	-	65,120
Interfund receivables	342,634	-	2,964	-	68
Inventory	-	-	4,614	-	-
Prepaid expenses	-	-	1,005	-	1,005
TOTAL ASSETS	396,101	16,745	21,312	400	80,248
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	30	15,236	3,606	-	56,049
Interfund payable	395,000	-	6,468	100	11,086
Total Liabilities	395,030	15,236	10,074	100	67,135
Fund Balances:					
Nonspendable	-	-	5,619	-	1,005
Restricted	-	-	-	-	12,108
Unassigned	1,071	1,509	5,619	300	-
Total Fund Balances	1,071	1,509	11,238	300	13,113
TOTAL LIABILITIES AND FUND BALANCES	\$ 396,101	\$ 16,745	\$ 21,312	\$ 400	\$ 80,248

Exhibit 8

ANGEL FOOD 8150	HEADSTART T & TA 2000	HEADSTART 2200	LIHEAP ENERGY 2130	HEADSTART HANDICAPPED 2400	HEADSTART FOOD SERVICE 2500	LIHEAP ENERGY 2135
\$ (319)	\$ (6,173)	\$ 10,956	\$ 52	\$ (616)	\$ 52,309	\$ 2,689
-	-	-	-	-	-	-
-	14,481	108,275	-	10,484	19,529	1,066
-	-	6,188	4,141	-	13,926	-
-	-	-	-	-	-	-
-	-	34,312	-	91	591	-
<u>(319)</u>	<u>8,308</u>	<u>159,731</u>	<u>4,193</u>	<u>9,959</u>	<u>86,355</u>	<u>3,755</u>
4	200	55,107	(13)	461	18,951	445
11,697	-	63,388	4,793	848	67,589	6,347
<u>11,701</u>	<u>200</u>	<u>118,495</u>	<u>4,780</u>	<u>1,309</u>	<u>86,540</u>	<u>6,792</u>
-	-	34,312	-	91	591	-
-	8,108	6,924	-	8,559	-	-
<u>(12,020)</u>	<u>-</u>	<u>-</u>	<u>(587)</u>	<u>-</u>	<u>(776)</u>	<u>(3,037)</u>
<u>(12,020)</u>	<u>8,108</u>	<u>41,236</u>	<u>(587)</u>	<u>8,650</u>	<u>(185)</u>	<u>(3,037)</u>
<u>\$ (319)</u>	<u>\$ 8,308</u>	<u>\$ 159,731</u>	<u>\$ 4,193</u>	<u>\$ 9,959</u>	<u>\$ 86,355</u>	<u>\$ 3,755</u>

(CONTINUED)

WEBSTER PARISH COMMUNITY SERVICE

MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS
 Combining Balance Sheet
 December 31, 2013

	TITLE XIX TRANSPORT. 3000	TITLE XX TRANSPORT. 3100	SECTION 18 IMMA 0541	LOCAL IMMA 0521	SECTION 8 5400
ASSETS					
Cash and cash equivalents	\$ 100	\$ 28,657	\$ 243	\$ 5,965	\$ 398
Investments	-	-	-	172,549	-
Receivables	-	94,514	-	-	-
Interfund receivables	7,557	108,681	72,106	395,000	-
Inventory	-	-	-	-	-
Prepaid expenses	-	25,386	-	-	-
TOTAL ASSETS	7,657	257,238	72,349	573,514	398
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	-	16,650	-	-	-
Interfund payable	-	213,063	106,809	8,854	-
Total Liabilities	-	229,713	106,809	8,854	-
Fund Balances:					
Nonspendable	-	25,386	-	-	-
Restricted	7,657	2,139	-	-	398
Unassigned	-	-	(34,460)	564,660	-
Total Fund Balances	7,657	27,525	(34,460)	564,660	398
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,657	\$ 257,238	\$ 72,349	\$ 573,514	\$ 398

Exhibit 8

AUDIT 0550	CASH CLEARING 5600	EMERGENCY COMMODITIES 810	HOMELESS SHELTER 8250	EMERGENCY FEMA 8200	SECTION 8 VOUCHERS 8400	EMERGENCY ASSISTANCE 8230
\$ 1,574	\$ 5,642	\$ 1,682	\$ 169	\$ 1,200	\$ 32,011	\$ 377
-	-	-	-	-	-	-
-	-	-	-	-	122	-
762	-	(420)	-	-	33,921	(376)
-	-	-	-	-	-	-
-	-	-	-	-	1,298	-
<u>2,336</u>	<u>5,642</u>	<u>1,262</u>	<u>169</u>	<u>1,200</u>	<u>67,352</u>	<u>1</u>
-	-	16	-	-	15,195	-
-	-	19	2,419	1,250	44,585	-
-	-	35	2,419	1,250	59,780	-
-	-	-	-	-	1,298	-
-	-	1,227	-	-	6,274	1
2,336	5,642	-	(2,250)	(50)	-	-
<u>2,336</u>	<u>5,642</u>	<u>1,227</u>	<u>(2,250)</u>	<u>(50)</u>	<u>7,572</u>	<u>1</u>
<u>\$ 2,336</u>	<u>\$ 5,642</u>	<u>\$ 1,262</u>	<u>\$ 169</u>	<u>\$ 1,200</u>	<u>\$ 67,352</u>	<u>\$ 1</u>

(CONTINUED)

WEBSTER PARISH COMMUNITY SERVICE

MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS

Combining Balance Sheet

December 31, 2013

	EMERGENCY SHELTER 8240	EMERGENCY SHELTER - UNITED CHRISTIAN 8800	911 ACCOUNT 9110	CSBG ADMIN 0930
ASSETS				
Cash and cash equivalents	\$ 2,408	\$ 139	\$ 100	\$ 71
Investments	-	-	-	-
Receivables	-	-	-	1,400
Interfund receivables	412	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
TOTAL ASSETS	2,820	139	100	1,471
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	(118)	3	-	198
Interfund payable	48	101	-	641
Total Liabilities	(70)	104	-	839
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,890	35	100	632
Unassigned	-	-	-	-
Total Fund Balances	2,890	35	100	632
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,820	\$ 139	\$ 100	\$ 1,471

Exhibit 8

CSBG PROGRAM. 0940	CSBG ADMIN 0950	CSBG PROGRAM. 0960	CSBG ADMIN 0970	CSBG PROGRAM. 0980	TOTAL
\$ 2,407	\$ 3,003	\$ (2,902)	\$ 73	\$ 1,250	\$ 240,026
-	-	-	-	-	172,549
1,731	5,751	33,741	-	-	357,049
1,882	597	-	-	936	990,979
-	-	-	-	-	4,614
-	-	-	-	-	63,688
<u>6,020</u>	<u>9,351</u>	<u>30,839</u>	<u>73</u>	<u>2,186</u>	<u>1,828,905</u>
(154)	708	2,240	-	-	184,814
<u>5,568</u>	<u>6,547</u>	<u>31,501</u>	<u>100</u>	<u>2,158</u>	<u>990,979</u>
<u>5,414</u>	<u>7,255</u>	<u>33,741</u>	<u>100</u>	<u>2,158</u>	<u>1,175,793</u>
-	-	-	-	-	68,302
606	2,096	-	-	28	59,782
-	-	(2,902)	(27)	-	525,028
<u>606</u>	<u>2,096</u>	<u>(2,902)</u>	<u>(27)</u>	<u>28</u>	<u>653,112</u>
<u>\$ 6,020</u>	<u>\$ 9,351</u>	<u>\$ 30,839</u>	<u>\$ 73</u>	<u>\$ 2,186</u>	<u>\$ 1,828,905</u>

(CONCLUDED)

WEBSTER PARISH COMMUNITY SERVICE

MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	LOCAL 5000	PAYROLL 9000	LOCAL 0520	ZB ACCOUNT 0800	FAMILY DAYCARE 1000
REVENUES					
Local sources:					
Interest and investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	33,000	-	-
Federal sources	-	-	-	-	702,537
Total revenues	-	-	33,000	-	702,537
EXPENDITURES					
Current:					
Health and welfare	-	-	28,819	-	700,030
Capital outlay	-	-	-	-	-
Total expenditures	-	-	28,819	-	700,030
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	4,181	-	2,507
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	(1,921)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(1,921)	-	-
Net Change in Fund Balance	-	-	2,260	-	2,507
FUND BALANCES - BEGINNING	1,071	1,509	8,978	300	10,606
FUND BALANCES - ENDING	\$ 1,071	\$ 1,509	\$ 11,238	\$ 300	\$ 13,113

Exhibit 9

ANGEL FOOD 8150	HEADSTART T & TA 2000	HEADSTART 2200	LIHEAP ENERGY 2130	HEADSTART HANDICAPPED 2400	HEADSTART FOOD SERVICE 2500	LIHEAP ENERGY 2135
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	800	3,039	-	-	135
-	32,102	1,873,612	371,843	32,799	219,752	931
-	32,102	1,874,412	374,882	32,799	219,752	1,066
-	19,479	1,736,801	363,809	23,406	295,427	8,156
-	-	-	-	-	1,756	-
-	19,479	1,736,801	363,809	23,406	297,183	8,156
-	12,623	137,611	11,073	9,393	(77,431)	(7,090)
-	-	-	-	-	77,826	-
-	-	(77,826)	-	-	-	-
-	-	(77,826)	-	-	77,826	-
-	12,623	59,785	11,073	9,393	395	(7,090)
(12,020)	(4,515)	(18,549)	(11,660)	(743)	(580)	4,053
\$ (12,020)	\$ 8,108	\$ 41,236	\$ (587)	\$ 8,650	\$ (185)	\$ (3,037)

(CONTINUED)

WEBSTER PARISH COMMUNITY SERVICE

MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	TITLE XIX TRANSPORT. 3000	TITLE XX TRANSPORT. 3100	SECTION 18 IMMA 0541	LOCAL IMMA 0521	SECTION 8 5400
REVENUES					
Local sources:					
Interest and investment earnings	\$ -	\$ -	\$ -	\$ 100	\$ -
Other	-	61,628	-	5	-
Federal sources	-	535,210	-	-	-
Total revenues	-	596,838	-	105	-
EXPENDITURES					
Current:					
Health and welfare	-	561,192	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	561,192	-	-	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	35,646	-	105	-
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	13,185	-	-
Operating transfers out	-	(13,186)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(13,186)	13,185	-	-
Net Change in Fund Balance	-	22,460	13,185	105	-
FUND BALANCES - BEGINNING	7,657	5,065	(47,645)	564,555	398
FUND BALANCES - ENDING	\$ 7,657	\$ 27,525	\$ (34,460)	\$ 564,660	\$ 398

Exhibit 9

AUDIT 0550	CASH CLEARING 5600	EMERGENCY COMMODITIES 810	HOMELESS SHELTER 8250	EMERGENCY FEMA 8200	SECTION 8 VOUCHERS 8400	EMERGENCY ASSISTANCE 8230
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42	\$ -
-	-	-	-	-	122	-
-	-	-	-	1,250	607,152	-
-	-	-	-	1,250	607,316	-
-	631	283	40	1,250	627,123	1,638
-	-	-	-	-	-	-
-	631	283	40	1,250	627,123	1,638
-	(631)	(283)	(40)	-	(19,807)	(1,638)
-	-	283	-	-	-	1,639
-	-	-	-	-	-	-
-	-	283	-	-	-	1,639
-	(631)	-	(40)	-	(19,807)	1
2,336	6,273	1,227	(2,210)	(50)	27,379	-
\$ 2,336	\$ 5,642	\$ 1,227	\$ (2,250)	\$ (50)	\$ 7,572	\$ 1

(CONTINUED)

WEBSTER PARISH COMMUNITY SERVICE

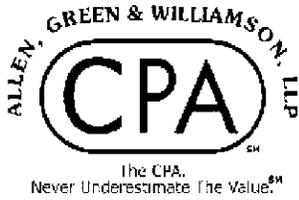
MODIFIED ACCRUAL FUND FINANCIAL STATEMENTS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	EMERGENCY SHELTER 8240	EMERGENCY SHELTER - UNITED CHRISTIAN 8800	911 ACCOUNT 9110	CSBG ADMIN 0930
REVENUES				
Local sources:				
Interest and investment earnings	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Federal sources	16,014	27,185	-	23,068
Total revenues	16,014	27,185	-	23,068
EXPENDITURES				
Current:				
Health and welfare	15,479	27,185	-	22,675
Capital outlay	-	-	-	-
Total expenditures	15,479	27,185	-	22,675
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	535	-	-	393
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	535	-	-	393
FUND BALANCES - BEGINNING	2,355	35	100	239
FUND BALANCES - ENDING	\$ 2,890	\$ 35	\$ 100	\$ 632

Exhibit 9

CSBG PROGRAM. 0940	CSBG ADMIN 0950	CSBG PROGRAM. 0960	CSBG ADMIN 0970	CSBG PROGRAM. 0980	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142
-	-	-	-	-	98,729
108,353	5,750	33,741	-	-	4,591,299
108,353	5,750	33,741	-	-	4,690,170
108,269	5,747	33,740	-	-	4,581,179
-	-	-	-	-	1,756
108,269	5,747	33,740	-	-	4,582,935
84	3	1	-	-	107,235
-	-	-	-	-	92,933
-	-	-	-	-	(92,933)
-	-	-	-	-	-
84	3	1	-	-	107,235
522	2,093	(2,903)	(27)	28	545,877
\$ 606	\$ 2,096	\$ (2,902)	\$ (27)	\$ 28	\$ 653,112

(CONCLUDED)



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA
Principal: Cindy Thomason, CPA

Matt Carmichael, CPA
Diane Ferschoff, CPA
Jaime Esswein, CPA, CFE
Jaucicia Mercer, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

We have audited, 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, the financial statements of the governmental activities, the discretely presented component units of Community Services and E-911, each major fund, and the aggregate remaining fund information of the Webster 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 Police Jury's basic financial statements, and have issued our report thereon dated July 14, 2014. We issued an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, the discretely presented component units of Community Services and E-911, each major fund, and the aggregate remaining fund information.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002, 2013-003 and 2013-004 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 2013-001.

Police Jury's Response to Findings

The Police Jury's response to the findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Audit Findings and Questioned Costs. The 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.

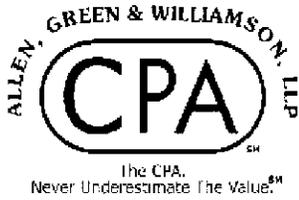
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Police Jury'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 Police Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
July 14, 2014



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA
Principal: Cindy Thomason, CPA

Matt Carmichael, CPA
Diane Ferschoff, CPA
Jaime Esswein, CPA, CFE
Jaunicia Mercer, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Basis for Qualified Opinion on Section 8 Housing Choice Vouchers Program

As described in the accompanying Schedule of Findings and Questioned Costs, the Police Jury did not comply with requirements regarding CFDA# 14.871 Section 8 Housing Choice Vouchers as described in finding numbers 2013-009 for Eligibility and 2013-011 and 2013-012 for Special Tests and Provisions. Compliance with such requirements is necessary, in our opinion, for the Police Jury to comply with the requirements applicable to that program.

Qualified Opinion on Section 8 Housing Choice Vouchers Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the 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 Section 8 Housing Choice Vouchers for the year ended December 31, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the 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 other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2013.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-005, 2013-006, 2013-008, and 2013-010. Our opinion on each major federal program is not modified with respect to these matters.

The Police Jury's response to the noncompliance findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Findings and Questioned Costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the 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 Police Jury's internal control over compliance.

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

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 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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2013-009, 2013-011, and 2013-012 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2013-005, 2013-006, 2013-007, 2013-008, 2013-010, and 2013-013 to be significant deficiencies.

Police Jury's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Audit Findings and Questioned Costs. Police Jury's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
July 14, 2014

**Webster Parish Police Jury
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA <u>Number</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
FEDERAL AWARDS			
United States Department of Agriculture			
Passed through the Treasurer of the State of Louisiana			
Schools and Roads - Grants to States	10.665	N/A	\$ 32,152
Passed through the State of Louisiana Department of Education:			
Child Care Food Program – Family Day Care	10.558	N/A	\$ 702,537
Child Care Food Program – Head Start Food Service	10.558	N/A	<u>219,752</u>
Total Child Care Food Program			<u>922,289</u>
Total U. S. Department of Agriculture			<u>954,441</u>
United States Department of Housing and Urban Development			
Direct Programs:			
Section 8 Housing Choice Vouchers	14.871	LA213	607,152
Passed Through Louisiana Department of Social Services:			
HUD – Emergency Shelter Grants Program	14.231	CFMS# 702197	43,199
Passed Through Louisiana Office of Community Development			
Community Development Block Grants	14.228	B-11-DC-22-0001	<u>13,454</u>
Total U. S. Department of Housing and Urban Development			<u>663,805</u>
United States Department of Transportation			
Passed Through Louisiana Department of Transportation and Development			
FTA Section 5311	20.509	LA-18-X028 LA-18-X029	450,487
FTA Section 5311 - ARRA	20.509	LA-86-X001	137,492
FTA Section 5311 - ARRA - Noncash	20.509	LA-86-X001	<u>135,611</u>
Total U. S. Department of Transportation			<u>723,590</u>
United States Department of Homeland Security			
Passed Through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:			
FEMA Flood Mitigation	97.029	N/A	112
FEMA Emergency Management Performance Grant	97.042	EMW-2011-EP-00058	1,250
FEMA-Severe Repetitive Loss Grant	97.110	SRL-PJ06LA-2009-018	6,693
Homeland Security Grant	97.067	FY09-SS-T9-0059	<u>78,830</u>
Total United States Department of Homeland Security			<u>\$ 86,885</u>

(continued)

**Webster Parish Police Jury
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
U. S. Department of Health and Human Services			
Direct programs:			
Head Start	93.600	H-5299	\$ 1,938,513
Passed Through Louisiana Office of Workforce Development:			
Community Services Block Grant	93.569	CFMS #725526, 716680	170,912
Passed Through Louisiana Department of Health and Hospitals:			
Medical Assistance Program	93.778	Unknown	67,653
Passed Through Louisiana Department of Social Services:			
STEP Transportation	93.558	CFMS #665187	17,070
Passed Through Louisiana Association For Community Action Partnership:			
LIHEAP Energy Assistance	93.568	2013 DHHS, 2012 DHHS Carryover	372,774
Total Department of Health and Human Services			<u>2,566,922</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,995,643</u>

(concluded)

Webster Parish Police Jury
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Webster Parish Police Jury, Minden, Louisiana. The Webster Parish Police Jury (the "Police Jury") reporting entity is defined in Note 1 to the Police Jury's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying 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.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Police Jury's fund financial statements as follows:

	<u>Federal Sources</u>
Major fund:	
General Fund	\$ 268,733
Component Unit - Community Services	4,726,910
Total	\$ 4,995,643

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES AND STATE FUNDING For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - COMMUNITY DEVELOPMENT BLOCK GRANT The Police Jury received the final portion of this grant in fiscal year ended December 31, 2013 in the amount of \$13,454. The full grant received was \$192,200, which was for water system improvements. Once the grant was completed, the project was transferred to Jenkins Water System, Inc., which is responsible for the operating and maintenance of the system improvement.

NOTE 7 - NONCASH AWARDS The Component Unit – Community Services received \$135,611 in noncash awards under FTA Section 5311-ARRA, CFDA# 20.509 in the form of buses from the State of Louisiana.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, the discretely presented component units of the Community Services and E-911, each major fund, and the aggregate remaining fund information.
- ii. There was four significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. These significant deficiencies were not considered to be a material weakness.
- iii. There was one instance of noncompliance, as defined by the Government Auditing Standards, to the basic financial statements.

Audit of Federal Awards

- iv. There were nine significant deficiencies required to be disclosed by OMB Circular A-133. Three of these significant deficiencies were considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was qualified for the Section 8 Vouchers Program and unmodified for all others.
- vi. The audit disclosed nine audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:

Public Transportation for Non-Urbanized Areas program	CFDA # 20.509
Head Start	CFDA # 93.600
Section 8 Housing Choice Vouchers	CFDA # 14.871
Low-Income Home Energy Assistance Program	CFDA # 93.568
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **2013-001** **Publishing of Minutes**

Entity-wide or program/department specific: This finding is specific to the component unit E-911.

Criteria or specific requirement: Title 43:171 of the Louisiana Revised Statutes requires that all political subdivisions of the state publish the minutes of their proceedings in the political subdivision's official journal. The Webster Parish Communication District is a political subdivision of the State pursuant to R.S. 33:9058 and Attorney General Opinions 08-130 and 09-0300.

Condition found: The E-911 component unit did not publish the minutes of their proceedings in the official journal.

Possible asserted effect (cause and effect):

Cause: Management was not aware of the requirement.

Effect: The Communication District is in violation of state law.

View of Responsible Official: We will start publishing the minutes as required.

Recommendation to prevent future occurrences: The Communication District should establish procedures to ensure the minutes of their Board meetings are published in the official journal.

Reference # and title: **2013-002** **Vendor Disbursements**

Entity-wide or program/department specific: This finding is specific to the component unit E-911.

Criteria or specific requirement: Good internal controls over vendor disbursements require that all expenses paid have adequate supporting documentation such as original invoice or valid contracts and are accurate. All payments made should not include sales tax charges due to the agency being sales tax exempt.

Condition found: When testing vendor disbursements, it was noted that the Communications District continued to pay the quarterly payments to the Sheriff's office as detailed in the 2012 contract agreement without having a new contract for the 2013 year. The contract had expired on December 31, 2012. Additionally, three disbursements tested included sales tax on the invoices and the sales tax was paid by the District.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: The Communication District paid for items that the District is exempt from paying as well as expenses paid were paid from an expired contract.

View of Responsible Official: I will bring it to the attention of the board.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Recommendation to prevent future occurrences: The Communication District should establish procedures to ensure a new contract is with the Sheriff's office for the dispatch services provided as well as any other payments made under contract are under valid, unexpired contracts. Tax exemption forms should be provided to all vendors.

Reference # and title: **2013-003** **Internal Controls over Cash Receipts**

Entity-wide or program/department specific: This finding is specific to funds of the Webster Parish Police Jury.

Criteria or specific requirement: Proper internal controls over financial reporting require that cash receipts contain up-to-date, accurate, and complete information to ensure the financial data can be relied upon as well as cash deposits are made in a timely manner, within three business days.

Condition found: When testing of thirty-five cash receipts, it was noted that eight receipts were not deposited in a timely fashion.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: Internal controls over cash receipts are weakened.

View of Responsible Official: I found that the cash receipts noted were received at the close of business after the scheduled deposit was made. Better control and scheduled deposits will be made in the future to ensure that the cash receipts are deposited within the 3 business day rule.

Recommendation to prevent future occurrences: Procedures should be established to ensure sure all cash receipts are deposited in a timely manner, within three business days.

Reference # and title: **2013-004** **Internal Controls over Work Orders**

Entity-wide or program/department specific: This finding is specific to the Road Fund of Webster Parish Police Jury.

Criteria or specific requirement: Good internal controls include having complete and accurate supporting documentation of work performed from the initiation of a complaint to the completion of the work.

Condition found: In testing forty work orders, there were six exceptions noted in which three of the exceptions were for work orders were not signed off on by the supervisors and three of the exceptions were for work orders not containing the completion dates for the work performed.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: Internal control over the work order process is weakened.

View of Responsible Official: Some of the work orders that were pulled for review were uncompleted work orders and the work had not been completed and had carried forward into the current year (2014). Concerning the signing off of the work orders by the supervisor occurred during a transition period when the Road Foreman was reassigned and the Asst. Public Works Director had taken over the duties of the Foreman. The Asst. PWD was not aware of the process and did not sign off on some work orders. After being made aware of correct procedure, the PW department is now establishing a review process.

Recommendation to prevent future occurrences: The Police Jury should establish a quality control review process to ensure completeness of a work order. All work orders should include the name of the person requesting the road maintenance, the date of the request, the work performed and the person performing the work, the signature of the supervisor verifying the work has been satisfactorily completed, and the date the work was completed.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: **2013-005** **Davis Bacon Act**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2010 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Criteria or specific requirement: All laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal funds must be paid wages no less than the prevailing wage rate. Entities shall include in their construction contract a requirement that contractors comply with the Davis Bacon Act. This includes a requirement for the contractor to submit to the entity weekly a copy of the payroll and a statement of compliance.

Condition found: Upon review of the construction contract it was noted that an addendum to the specifications was sent out to all the bidders regarding the prevailing wage rates, however, the certified payrolls were not received by the Police Jury during the construction project.

Possible asserted effect (cause and effect):

Cause: The Police Jury relies on consultants to ensure all requirements to the projects are met; however, the consultant was not aware that the Davis Bacon Act applied to the project.

Effect: The Police Jury did not meet federal compliance regarding the Davis Bacon compliance requirement.

View of Responsible Official: The Police Jury relied on the Engineering consultant to draw up plans and specifications on this project. The Police Jury is now aware of Davis Bacon requirements and will be sure that Davis Bacon requirements are met.

Recommendation to prevent future occurrences: The Police Jury should establish monitoring procedures on consultants to ensure that all compliance requirements. Additionally, the consultant should be made aware of what projects are required to meet federal compliance requirements.

Reference # and title: **2013-006** **Matching, Level of Effort, and Earmarking**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2013 and 2014 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Criteria or specific requirement: Recipients of the program are required to obtain at least a 50 percent match of the total grant amount received, of which at least half of the match amount obtained must be from non-federal sources. Amounts used for match can come from donations and/or in-kind contributions of goods or services that are used for the purpose of the project for which the grant was awarded.

Condition found: When reviewing the amount reported by Community Services as matching for the year, it was

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

noted that Community Services was including amounts in their in-kind calculation which were not allowed to be included for the program. It was noted that Community Services was including a higher percentage of time as volunteer in-kind than was appropriate based on the actual duties of the volunteers and the time actually spent across multiple programs. Additionally, Community Services was including in-kind contributions for salaries paid for with federal funds that were not for the purpose of the program for which the grant was awarded. Therefore, these amounts were removed from the calculation by the auditors to determine the actual amount matched during the year.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: Community Services did not meet the required level of matching for the year.

View of Responsible Official: Community Services internal controls were revised to more accurately document in-kind goods and services donated to the Transportation program.

Recommendation to prevent future occurrences: Community Services should establish controls to properly document in-kind goods and services donated to the Transportation program. Also, Community Services should establish procedures to closely monitor the amount of in-kind goods and services donated during the year to ensure that the proper level of match is obtained for the Transportation program.

Reference # and title: **2013-007** **Procurement, Suspension, and Debarment**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2013 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Criteria or specific requirement: Federal regulation 2 CFR part 180 requires that entities receiving federal funds must verify that the vendor with whom it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds.

Condition found: Community Services does not have controls implemented to verify that vendors with whom it expects to spend \$25,000 or more for goods or services for the year that do not require a purchase order are not suspended or debarred or otherwise excluded from receiving federal funding for the transportation program.

Possible asserted effect (cause and effect):

Cause: A clause is included on all purchase orders that covers the suspension and debarment requirement but there are no procedures for purchases from vendors that do not require a purchase order.

Effect: Suspension and debarment procedures do not exist for vendors when a purchase order is not required.

View of Responsible Official: We do not concur with this finding. The Executive Secretary had completed a SAM website review and the documentation was available for review. A list of all vendors with whom Community

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Services had done business during the previous year (2013) was generated by the accounting department. A check on the Official Government System for Award Management (SAM) website was performed and the resulting report printed and maintained on file. The list of vendors and resulting reports are on file. Our internal review of this requirement, concluded that one of the vendors was left off the list. Subsequently, we have completed a SAM system check and determined the vendor is not suspended or debarred or otherwise excluded from receiving federal funding for the transportation program.

Recommendation to prevent future occurrences: Community Services should establish internal controls and procedures to ensure that vendors from whom they make purchases that do not require a purchase order are not suspended or debarred. Verification checks should be performed by accessing the SAM website to ascertain if each vendor is either suspended or debarred and the verifications should be printed and kept as supporting documentation.

Reference # and title: **2013-008** **Cash Management**

Federal program and specific Federal award identification: This finding is specific to the Low-Income Home Energy Assistance Program (LIHEAP) CFDA #93.568, for the Federal Award Year 2013 received from Federal Agency: Department of Health and Human Services passed through the Louisiana Association For Community Action Partnership.

Criteria or specific requirement: Federal regulation 2 CFR part 215.22 requires that procedures be established that minimize the time elapsed between the receipt of the funds and the payment of the related expenditures. Time elapsed should be no more than three business days according to the signed grant agreement.

Condition found: When testing a sample of nine reimbursement requests for LIHEAP, it was noted that on four of the requests the funds were not distributed to the appropriate vendor within three business days as required by the signed grant agreement as well as federal guidelines. The time elapsed between the receipt of the funds and the disbursement of the funds to the appropriate vendor ranged from four business days to 15 business days.

Possible asserted effect (cause and effect):

Cause: Proper controls were not implemented to ensure that funds received were disbursed within three business days from the date received.

Effect: Community Services did not minimize the time elapsed between the receipt of the funds and the payment of the related expenditures in the instances noted above.

View of Responsible Official: The Louisiana Housing Corporation has assumed responsibility for making LIHEAP disbursements directly to vendor effective October 1, 2013.

Recommendation to prevent future occurrences: Community Services should establish internal controls and procedures to ensure that funds received related to the LIHEAP grant are disbursed within three business days to the appropriate vendors, as specified by the signed grant agreement as well as federal guidelines.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: 2013-009 Eligibility- Controls Over Resident Files

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Criteria or specific requirement: The agency must re-examine family income and composition at least once every 12 months and adjust the housing assistance payment (HAP) as necessary using the documentation from third party verifications (24CFR section 982.516). As a condition of admission or continued occupancy, the resident and other family members must provide necessary information, documentation, and releases for the agency to verify income eligibility (24CFR sections, 5.230, 5.609, and 982.516). The agency is required to submit Form 50058 electronically to HUD each time the agency completes an admission, annual reexamination, interim reexamination, portability move in or other changes of unit for a family. Several line items on this form must agree to documentation in the file (24CFR part 908 and 24CFR section 982.158). For both family income examinations and reexaminations, the agency must obtain and document in the family file third party verification of reporting family income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income based rent (24CFR section 982.516). The agency must determine income eligibility and calculate the resident's rent payment using the documentation from third party verifications in accordance with 24CFR part 5 subpart F (24CFR section 5.601 and 24CFR sections 982.201, 982.515 and 982.516).

Condition found: In testing 15 resident files, the following were noted:

- 9 exceptions were noted where the tenant file did not contain a copy of the tenant application and/or personal declaration form.
- 8 exceptions were noted for information in the file not matching the key line items on form 50058.
- 7 exceptions were noted for income/deductions not being verified by 3rd party.
- 8 exceptions were for income calculations being incorrect based on supporting documentation.
- 5 exceptions were noted because there was no form 9886, Authorization for the Release of Information, found in the file.
- 8 exceptions were noted for not having completed an annual inspection or incorrectly reporting the information on form 50058.
- 1 exception was noted where the contract rent was incorrectly reported on form 50058.
- 1 exception was noted where rent reasonableness was not performed.

Possible asserted effect (cause and effect):

Cause: Community Services' staff is not consistently following established procedures for maintaining resident files. Also, Community Services has not established any type of quality control procedure for reviewing the information reported regarding tenant eligibility.

Effect: Some resident files may not meet federal guidelines.

View of Responsible Official: The Section 8 Housing Director resigned in September 2013. The new housing director was hired and certified as Housing Choice Voucher Specialist in November 2013. The Section 8 Housing department is in the process of conducting a more accurate 100% tenant file review.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Recommendation to prevent future occurrences: Monitoring procedures should be established to ensure the information in resident files is adequate, agrees to Form 50058 and that the income calculation is correct. Resident files should be provided to the Executive Director and quality control inspection of tenant files should be performed monthly.

Reference # and title: **2013-010** **Special Test and Provisions- Waiting List**

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Criteria or specific requirement: Except as provided in 24 CFR section 982.203, all families admitted to the Section 8 program must be selected from the waiting list. Each Agency must have written policies included in their administrative plan for selection of applicants from the waiting list. Also, each agency must retain proper supporting documentation to show that these selection policies are being followed when selecting applicants to award housing vouchers.

Condition found: When tracing a sample of new move-ins during the fiscal year back to the waiting list retained by Community Services, it was noted that the name at the top of the waiting list was purged from the listing during the year. Community Services was unable to provide any proper supporting documentation to explain why this applicant was purged from the listing to determine if the vouchers were awarded with the proper priority during the year.

Possible asserted effect (cause and effect):

Cause: Proper records are not maintained to support the applicant removed from the waiting list.

Effect: Community Services could have awarded vouchers to applicants from the waiting list without using the proper priority and procedures.

View of Responsible Official: The agency maintains a waiting list on first-come first-serve basis. Tenant applications are stamped with the date/time received and wait listed in numerical order based on the date and time received. The wait list is entered into a database. During the audit documentation could not be found for one tenant placed on the wait list in 2009.

Recommendation to prevent future occurrences: Community Services should ensure that all adjustments to the waiting list are properly documented, and that all established policies are followed with regarding to selections from the waiting list.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: 2013-011 Special Test and Provisions- Rent Reasonableness

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Criteria or specific requirement: According to 24 CFR 982.507, the agency must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Vouchers program. In addition, if the landlord requests a change in rent during the year, the agency must also determine if the new rent change is considered reasonable. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. The industry practice is to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than sixty months according to the administrative plan.

Condition found: In testing a sample of four units the following exceptions were noted:

- 3 exceptions were noted in which no supporting documentation could be found for rent reasonableness.
- 2 exceptions in which it was impossible to determine rent reasonableness was completed.

Possible asserted effect (cause and effect):

Cause: Community Services has not established procedures for monitoring compliance with the rent reasonableness requirements of the Section 8 program.

Effect: Community Services may not meet all federal requirements regarding rent reasonableness determinations.

View of Responsible Official: The agency revised and implemented procedures to determine if the initial rent to owner is a reasonable rent before the lease is approved. The revised procedures are included in the program administrative plan.

Recommendation to prevent future occurrences: Rent reasonableness determinations should be performed before a resident moves into a unit or prior to increasing rent amounts in order to be in compliance with HUD guidelines. Procedures should be established to ensure that staff is adequately trained and familiar with all federal requirements. Resident files should be provided to the Executive Director and quality control inspections of tenant files should be performed monthly.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: 2013-012 Special Tests and Provisions-HQS Enforcement

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Voucher program, CFDA #14.871 for Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Criteria or specific requirement: For units under Housing Assistance Payment (HAP) contract that fail to meet Housing Quality Standards (HQS), the agency must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must stop (abate) HAPs beginning no later than the first of the month following the specified correction period or must terminate the HAP contract. The owner is not responsible for a breach of HQS as a result of the family's failure to pay for utilities for which the family is responsible under the lease or for tenant damage. For family-caused defects, if the family does not correct the cited HQS deficiencies within the specified correction period, the PHA must take prompt and vigorous action to enforce the family obligations (24 CFR sections 982.158(d) and 982.404).

Condition found: Community Services could not provide a complete list of failed inspections for the 2013 fiscal year so this requirement could not be adequately tested; the listing provided by Community Services was only for the period from October 2013 through December 2013. A review of the listing identified one failed inspection, which was selected for testing. The reinspection for this failed unit was not performed until 101 days after the initial failed inspection.

Possible asserted effect (cause and effect):

Cause: During the fiscal year the entity did not properly maintain the listing of inspections, including the date of inspection, whether the inspection passed or failed, date of re-inspections, and if repairs are complete. Also, proper controls are not established to ensure that reinspections are performed within the proper timeframe.

Effect: Community Services may not meet all federal requirements regarding HQS Enforcement.

View of Responsible Official: A monthly pass/fail inspection report is maintained in the Section 8 Housing office and a copy given to the executive director.

Recommendations to prevent future occurrences: Community Services should properly maintain a complete listing of inspections performed that documents date of inspection, whether the inspection passed or failed, date of re-inspections, and if repairs are complete. Also, proper controls should be established to ensure that applicable reinspections are performed within the proper timeframe and that quality control reviews are performed for inspections.

**Webster Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: 2013-013 Internal Controls over Matching- Head Start

Federal program and specific Federal award identification: This finding relates to Head Start program, CFDA# 93.600 from Federal Agency: United States Department of Health and Human Services for award year 2013.

Criteria or specific requirement: According to 45 CFR 1301.20, Head Start grantees are required to contribute at least 20 percent of the costs of the program through cash or in-kind contributions, unless a lesser amount has been approved by the awarding agency. Also, proper internal controls should be established to ensure that amounts recorded as in-kind contributions are supported by proper supporting documentation and to ensure that the correct amount is recorded.

Condition found: Community services provided a listing of in-kind amounts recorded during the year related to the Head Start program to the auditor as well as supporting documentation retained. For speech therapy donated services, Community Services was able to provide a spreadsheet of all services recorded as in-kind during the year. However, it was noted that the balance of the spreadsheet was not properly calculated and that Community Services was unable to provide proper supporting documentation for the full year for the amounts recorded. For volunteer in-kind (parent volunteers), it was noted that the amount recorded did not agree to the underlying supporting documentation. It was noted that the amount in this area was overstated based on a mathematical error. For amounts recorded related to donated building usage, it was noted that the underlying supporting documentation did not agree to the amount recorded.

Additionally, a monitoring report prepared by the Administration for Children and Families after a review of the Head Start program noted that Community Services did not ensure that third-party in-kind contributions used to satisfy its matching requirement were verifiable from its records. There was no detailed information showing the name of the child, dates of service, and services provided to support in-kind claims, and professional agreements did not specify services to be treated as in-kind contributions.

Possible asserted effect (cause and effect):

Cause: Proper supporting documentation is not retained for all amounts recorded as in-kind contributions, and proper monitoring procedures are not implemented to ensure that the required level of in-kind contributions is met for the year.

Effect: Community Services could potentially fail to meet the required level of in-kind contributions for the year.

View of Responsible Official: Procedures for recording, documenting, and monitoring in-kind contributions were developed and implemented in August 2013.

Recommendations to prevent future occurrences: Internal control procedures should be established to ensure that the amounts recorded as in-kind contributions are supported by proper documentation. Also, Community Services should implement procedures to review in-kind contributions on a monthly basis to ensure the required in-kind contributions are obtained.

Webster Parish Police Jury

Other Information

**Webster Parish Police Jury
Summary Schedule of Prior Year Audit Findings
For Year End December 31, 2013**

Reference # and title: **12-F1** **Internal Controls over Work Orders**

Origination date: This finding originated fiscal year ended December 31, 2012.

Entity-Wide or program /department specific: This finding is specific to the Road Fund.

Condition: Good internal controls include having complete and accurate supporting documentation of work performed from the initiation of a complaint to the completion of the work.

In testing 40 work orders, there were 6 exceptions noted in which 3 of the exceptions were for work orders not containing the name of the individual generating the request and 3 of the exceptions were for work orders not containing the completion dates for the work performed.

Corrective action planned: See current year finding 2013-004.

Reference # and title: **12-F2** **Violations of the Local Government Budget Act**

Origination date: This finding originated fiscal year ended December 31, 2012.

Entity-Wide or program /department specific: This finding is specific to the component unit E-911.

Condition: Revised statute 39:1307, Section A of the Louisiana Local Government Budget Act states in part that “political subdivisions with total proposed expenditures of \$500,000 or more from the general fund or any special revenue funds in a fiscal year or other similar budgetary period shall afford the public an opportunity to participate in the budgetary process prior to the adoption of the budget”.

It further states in section B of the revised statute that in part that “the political subdivision shall cause to be published a notice stating that the proposed budget is available for public inspection. The notice shall also state that a public hearing on the proposed budget shall be held with the date, time, and place of the hearing specified in the notice. The notice shall be published at least 10 days prior to the date of the first public hearing”.

Section C of the revised statute it states “no proposed budget shall be considered for adoption or otherwise finalized until at least 1 public hearing has been conducted on the proposal”. The advertisement should include the notice of availability of the proposed budget to be inspected by the public prior to the public hearing date.

The 2012 budget was adopted by the Board of E-911 which exceeded \$500,000 in expenditures and was not advertised as required by the Louisiana Local Government Budget Act.

Corrective action taken: The Communication District’s budget did not meet the threshold of \$500,000 required to be advertised; this finding is considered cleared.

Reference # and title: **12-F3** **Eligibility-Controls Over Resident Files**

Origination date: This finding originated fiscal year ended December 31, 2008.

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Voucher program, CFDA #14.871 for Federal Award Year 2012 received from Federal Agency: Department of Housing and Urban Development.

**Webster Parish Police Jury
Summary Schedule of Prior Year Audit Findings
For Year End December 31, 2013**

Condition: The agency must re-examine family income and composition at least once every 12 months and adjust the housing assistance payment (HAP) as necessary using the documentation from third party verifications (24CFR section 982.516). As a condition of admission or continued occupancy, the resident and other family members must provide necessary information, documentation, and releases for the agency to verify income eligibility (24CFR sections, 5.230, 5.609, and 982.516). The agency is required to submit Form 50058 electronically to HUD each time the agency completes an admission, annual reexamination, interim reexamination, portability move in, other changes of unit for a family. Several line items on this form must agree to documentation in the file (24CFR part 908 and 24CFR section 982.158). For both family income examinations and reexaminations, the agency must obtain and document in the family file third party verification of reporting family income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income based rent (24CFR section 982.516). The agency must determine income eligibility and calculate the resident's rent payment using the documentation from third party verifications in accordance with 24CFR part 5 subpart F (24CFR section 5.601 and 24CFR sections 982.201, 982.515 and 982.516).

In testing 15 resident files, the following were noted:

- 11 exceptions were noted for information in the file not matching the key line items on form 50058.
- 8 exceptions were noted for income was not being verified by 3rd party.
- 1 exception noted in which assets were not verified by 3rd party.
- 6 exceptions were for income calculations being incorrect.
- 1 exception noted for not being able to locate a completed application.
- 1 exception was noted for the annual recertification not in the file.
- 3 exceptions were noted because there was no form 9886.
- 6 exceptions were noted for not having the annual inspection forms in the files.
- 1 exception was noted for the contract standard not being within 90%-110% of FMR.
- 5 exceptions were noted for not rent reasonableness not being performed.

Corrective action planned: See current year finding 2013-009.

Reference # and title: 12-F4 **Special Tests and Provisions-Rent Reasonableness Determinations**

Origination date: This finding originated fiscal year ended December 31, 2011.

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Vouchers program, CFDA #14.871 for Federal Award Year 2012 received from Federal Agency: Department of Housing and Urban Development.

Condition: According to 24 CFR 982.507, the agency must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Vouchers program. In addition, if the landlord requests a change in rent during the year, the agency must also determine if the new rent change is considered reasonable. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. The industry practice is to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than sixty months according to the administrative plan.

In testing nine units the following exceptions were noted:

- 1 exception was noted in which the rent reasonableness determination was done after the move-in date.
- 1 exception in which there was no support of rent reasonableness.

**Webster Parish Police Jury
Summary Schedule of Prior Year Audit Findings
For Year End December 31, 2013**

- 2 exceptions in which it was impossible to determine rent reasonableness because the tenants file was incomplete.

Corrective action planned: See current year finding 2013-011.

Reference # and title: 12-F5 **Special tests and Provisions-Utility Allowance Review**

Origination date: This finding originated fiscal year ended December 31, 2010.

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Vouchers program, CFDA #14.871 for Federal Award Year 2012 received from Federal Agency: Department of Housing and Urban Development.

Condition: According to 24 CFR Section 982.517, a review of the utility allowance schedule must be performed annually and the allowances must be revised at other times when there has been a change of ten percent or more in a utility rate or fuel cost since the last revision of the schedule.

Community Services did not prepare a review of the utility allowances to document whether there was any change of ten percent or greater from the prior year. Letters were sent out to the utility companies by the agency to request rates, but the information obtained was not used to prepare a review of the rates. Without documentation of a review of the utility rates, we were unable to determine if there were any changes of ten percent or greater, which necessitate adjustments to the utility allowances.

Corrective action taken: The agency developed and implemented procedures to require a review of the utility allowances to be scheduled and performed annually. This finding is considered cleared.

Reference # and title: 12-F6 **Special Tests and Provisions-HQS Enforcement**

Origination date: This finding originated fiscal year ended December 31, 2012.

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Voucher program, CFDA #14.871 for Federal Award Year 2012 received from Federal Agency: Department of Housing and Urban Development.

Condition: For units under Housing Assistance Payment (HAP) contract that fail to meet Housing Quality Standards (HQS), the agency must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must stop (abate) HAPs beginning no later than the first of the month following the specified correction period or must terminate the HAP contract. The owner is not responsible for a breach of HQS as a result of the family's failure to pay for utilities for which the family is responsible under the lease or for tenant damage. For family-caused defects, if the family does not correct the cited HQS deficiencies within the specified correction period, the PHA must take prompt and vigorous action to enforce the family obligations (24 CFR sections 982.158(d) and 982.404).

Community Services could not provide a complete list of failed inspections for the 2012 fiscal year so this requirement could not be tested.

Corrective action planned: See current year finding 2013-012.

**Webster Parish Police Jury
Summary Schedule of Prior Year Audit Findings
For Year End December 31, 2013**

Reference # and title: **12-F7** **Internal Control Over Eligibility - Head Start**

Origination date: This finding originated fiscal year ended December 31, 2011.

Federal program and specific Federal award identification: This finding relates to Head Start program, CFDA# 93.600 from Federal Agency: United States Department of Health and Human Services for award year 2012.

Condition: According to 45 CFR 1305.4, Head Start enrollees must come from families whose income is below the official Federal poverty guidelines or who are receiving public assistance. In addition to the general income eligibility rule, homeless children and children in foster care are eligible to enroll in Head Start programs. Up to 10% of the children who are enrolled may be from families that are not income-eligible. The Head Start agency may also enroll up to 35 percent of children from families with income 130 percent above the poverty line. In order to verify the family income, documentation must be provided in the form of W2's, pay stubs, pay envelopes, etc. Calculations must be performed for documentation which is based upon a period other than annual income. Although copies of income verification documents need not be retained, the child or family record must include a statement, signed by an employee of the Head Start program, identifying which income verification document was examined and stating that the child is income-eligible.

A sample of forty children were chosen to determine if the applicant was income eligible, the income was verified and the Eligibility Verification Report was appropriately completed and maintained in the student's records. The following problems were noted with controls over determining eligibility:

- 1 instance in which the verification form was not signed and certified by the agency staff.
- 2 instance was noted where the verification form was not found in the file.
- 1 instance in which the verification form was not properly completed.
- 3 instances were noted where the child's income was improperly calculated based on information included in the application and/or documentation in the file.

A sample of one month's class rosters was chosen to agree those students to the students on the Child Plus system printout. One exception was noted where the student was on the roster but not entered into the system.

Corrective action taken: The agency developed and implemented revised internal control procedures to ensure income eligibility verification is accurate and documentation is maintained. This finding is considered cleared.

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

Reference # and title: **2013-001** **Publishing of Minutes**

Entity-wide or program/department specific: This finding is specific to the component unit E-911.

Condition: Title 43:171 of the Louisiana Revised Statutes requires that all political subdivisions of the state publish the minutes of their proceedings in the political subdivision's official journal. The Webster Parish Communication District is a political subdivision of the State pursuant to R.S. 33:9058 and Attorney General Opinions 08-130 and 09-0300.

The E-911 component unit did not publish the minutes of their proceedings in the official journal.

Corrective action planned: We will start publishing the minutes as required.

Person responsible for corrective action:

Dal Taylor, Executive Director	Telephone:	318-377-9911
Webster Parish Communication District (E-911)	Fax:	318-377-7243
P. O. Box 1101		
Minden, LA 71058-1101		

Anticipated completion date: August 2014.

Reference # and title: **2013-002** **Vendor Disbursements**

Entity-wide or program/department specific: This finding is specific to the component unit E-911.

Condition: Good internal controls over vendor disbursements require that all expenses paid have adequate supporting documentation such as original invoice or valid contracts and are accurate. All payments made should not include sales tax charges due to the agency being sales tax exempt.

When testing vendor disbursements, it was noted that the Communications District continued to pay the quarterly payments to the Sheriff's office as detailed in the 2012 contract agreement without having a new contract for the 2013 year. The contract had expired on December 31, 2012. Additionally, three disbursements tested included sales tax on the invoices and the sales tax was paid by the District.

Corrective action planned: I will bring it to the attention of the Board.

Person responsible for corrective action:

Dal Taylor, Executive Director	Telephone:	318-377-9911
Webster Parish Communication District (E-911)	Fax:	318-377-7243
P. O. Box 1101		
Minden, LA 71058-1101		

Anticipated completion date: July 10, 2014.

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

Reference # and title: **2013-003** **Internal Controls over Cash Receipts**

Entity-wide or program/department specific: This finding is specific to funds of the Webster Parish Police Jury.

Condition: Proper internal controls over financial reporting require that cash receipts contain up-to-date, accurate, and complete information to ensure the financial data can be relied upon as well as cash deposits are made in a timely manner, within three business days.

When testing of thirty-five cash receipts, it was noted that eight receipts were not deposited in a timely fashion.

Corrective action planned: A schedule of deposits for each week has been established in order to be sure that deposits are made in a timely manner, within the 3 business day rule.

Person responsible for corrective action:

Ronda Carnahan, Secretary-Treasurer
Webster Parish Police Jury
P. O. Box 389
Minden, LA 71058-0876

Telephone: 318-377-7564
Fax: 318-377-2366

Anticipated completion date: Currently in practice. July 3, 2014

Reference # and title: **2013-004** **Internal Controls over Work Orders**

Entity-wide or program/department specific: This finding is specific to the Road Fund of Webster Parish Police Jury

Condition: Good internal controls include having complete and accurate supporting documentation of work performed from the initiation of a complaint to the completion of the work.

In testing forty work orders, there were six exceptions noted in which three of the exceptions were for work orders were not signed off on by the supervisors and three of the exceptions were for work orders not containing the completion dates for the work performed.

Corrective action planned: The Public Works Director or his assignee will now review all work orders before they are filed as completed correctly.

Person responsible for corrective action:

Ronda Carnahan, Secretary-Treasurer
Webster Parish Police Jury
P. O. Box 389
Minden, LA 71058-0876

Telephone: 318-377-7564
Fax: 318-377-2366

Anticipated completion date: Work order review process is now in place. July 3, 2014

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

Reference # and title: **2013-005** **Davis Bacon Act**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2010 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Condition: All laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal funds must be paid wages no less than the prevailing wage rate. Entities shall include in their construction contract a requirement that contractors comply with the Davis Bacon Act. This includes a requirement for the contractor to submit to the entity weekly a copy of the payroll and a statement of compliance.

Upon review of the construction contract it was noted that an addendum to the specifications was sent out to all the bidders regarding the prevailing wage rates, however, the certified payrolls were not received by the Police Jury during the construction project.

Corrective action planned: The Webster Parish Police Jury will review all grants under the Police Jury control to be sure of the requirements and see that consultants are made aware of specifically Davis Bacon requirements.

Person responsible for corrective action:

Ronda Carnahan, Secretary-Treasurer	Telephone:	318-377-7564
Webster Parish Police Jury	Fax:	318-377-2366
P. O. Box 389		
Minden, LA 71058-0876		

Anticipated completion date: Currently in place. July 3, 2014

Reference # and title: **2013-006** **Matching, Level of Effort, and Earmarking**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2013 and 2014 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Condition: Recipients of the program are required to obtain at least a 50 percent match of the total grant amount received, of which at least half of the match amount obtained must be from non-federal sources. Amounts used for match can come from donations and/or in-kind contributions of goods or services that are used for the purpose of the project for which the grant was awarded.

When reviewing the amount reported by Community Services as matching for the year, it was noted that Community Services was including amounts in their in-kind calculation which were not allowed to be included for the program. It was noted that Community Services was including a higher percentage of time as volunteer in-kind than was appropriate based on the actual duties of the volunteers and the time actually spent across multiple programs. Additionally, Community Services was including in-kind contributions for salaries paid for with federal funds that were not for the purpose of the program for which the grant was awarded. Therefore, these amounts were removed from the calculation by the auditors to determine the actual amount matched during the year.

Corrective action planned: The Agency will revise the Financial Procedures Manual to include procedures for calculating in-kind and documenting sources of contributions. A daily tracking form was developed and

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

implemented to document volunteer in-kind hours. The percentage of volunteer in-kind will be calculated using the actual time volunteers spend in the specific programs as recorded on the daily tracking form.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: The revised Financial Procedures Manual will be presented to the Board of Directors at the September 2014 meeting for approval.

Reference # and title: **2013-007** **Procurement, Suspension, and Debarment**

Federal program and specific Federal award identification: This finding is specific to the Public Transportation for Non-urbanized Areas program CFDA #20.509, for the Federal Award Year 2013 received from Federal Agency: Department of Transportation passed through the Louisiana Department of Transportation and Development.

Condition: Federal regulation 2 CFR part 180 requires that entities receiving federal funds must verify that the vendor with whom it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds.

Community Services does not have controls implemented to verify that vendors with whom it expects to spend \$25,000 or more for goods or services for the year that do not require a purchase order are not suspended or debarred or otherwise excluded from receiving federal funding for the transportation program.

Corrective action planned: The Financial Procedures Manual will be revised to require annual verification of vendors, who do not require a purchase order, on the Official Government System for Award Management (SAM) website to ascertain if each vendor is under either suspension or debarment or otherwise excluded from receiving federal funds.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: The revised Financial Procedures Manual will be presented to the Board of Directors at the September 2014 meeting for approval.

Reference # and title: **2013-008** **Cash Management**

Federal program and specific Federal award identification: This finding is specific to the Low-Income Home Energy Assistance Program (LIHEAP) CFDA #93.568, for the Federal Award Year 2013 received from Federal Agency: Department of Health and Human Services passed through the Louisiana Association For Community Action Partnership.

Condition: Federal regulation 2 CFR part 215.22 requires that procedures be established that minimize the time

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

elapsed between the receipt of the funds and the payment of the related expenditures; time elapsed should be no more than three business days according to the signed grant agreement.

When testing a sample of nine reimbursement requests for LIHEAP, it was noted that on four of the requests the funds were not distributed to the appropriate vendor within three business days as required by the signed grant agreement as well as federal guidelines. The time elapsed between the receipt of the funds and the disbursement of the funds to the appropriate vendor ranged from four business days to 15 business days.

Corrective action planned: The Louisiana Housing Corporation has assumed responsibility for making LIHEAP disbursements directly to vendor effective October 1, 2013.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: This finding is considered to be cleared at October 1, 2013.

Reference # and title: **2013-009** **Eligibility- Controls Over Resident Files**

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Condition: The agency must re-examine family income and composition at least once every 12 months and adjust the housing assistance payment (HAP) as necessary using the documentation from third party verifications (24CFR section 982.516). As a condition of admission or continued occupancy, the resident and other family members must provide necessary information, documentation, and releases for the agency to verify income eligibility (24CFR sections, 5.230, 5.609, and 982.516). The agency is required to submit Form 50058 electronically to HUD each time the agency completes an admission, annual reexamination, interim reexamination, portability move in or other changes of unit for a family. Several line items on this form must agree to documentation in the file (24CFR part 908 and 24CFR section 982.158). For both family income examinations and reexaminations, the agency must obtain and document in the family file third party verification of reporting family income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income based rent (24CFR section 982.516). The agency must determine income eligibility and calculate the resident's rent payment using the documentation from third party verifications in accordance with 24CFR part 5 subpart F (24CFR section 5.601 and 24CFDR sections 982.201, 982.515 and 982.516).

In testing 15 resident files, the following were noted:

- 9 exceptions were noted where the tenant file did not contain a copy of the tenant application and/or personal declaration form.
- 8 exceptions were noted for information in the file not matching the key line items on form 50058.
- 7 exceptions were noted for income/deductions not being verified by 3rd party.
- 8 exceptions were for income calculations being incorrect based on supporting documentation.
- 5 exceptions were noted because there was no form 9886, Authorization for the Release of Information, found in the file.

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

- 8 exceptions were noted for not having completed an annual inspection or incorrectly reporting the information on form 50058.
- 1 exception was noted where the contract rent was incorrectly reported on form 50058.
- 1 exception was noted where rent reasonableness was not performed.

Corrective action planned: The Section 8 Housing Director resigned in September 2013. The new housing director was hired and certified as Housing Choice Voucher Specialist in November 2013. The Section 8 Housing department is in the process of conducting a more accurate 100% tenant file review. Files will be more accurately reviewed to ensure they are in compliance with HUD regulations regarding income verification and all required forms. The agency implemented a Test of Tenant Files Attributes review form received from the auditor to ensure compliance.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: This finding is considered to be cleared at August 2014.

Reference # and title: **2013-010** **Special Test and Provisions- Waiting List**

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Condition: Except as provided in 24 CFR section 982.203, all families admitted to the Section 8 program must be selected from the waiting list. Each Agency must have written policies included in their administrative plan for selection of applicants from the waiting list. Also, each agency must retain proper supporting documentation to show that these selection policies are being followed when selecting applicants to award housing vouchers.

When tracing a sample of new move-ins during the fiscal year back to the waiting list retained by Community Services, it was noted that the name at the top of the waiting list was purged from the listing during the year. Community Services was unable to provide any proper supporting documentation to explain why this applicant was purged from the listing to determine if the vouchers were awarded with the proper priority during the year.

Corrective action planned: The agency maintains a waiting list on first-come first-serve basis. Tenant applications are stamped with the date/time received and wait listed in numerical order based on the date and time received. The wait list is maintained in an automated database. Tenants are sent a letter to schedule briefings and issue vouchers to the address on record. Tenants who do not show for appointments are removed from the waiting list. A copy of the letter and no show is maintained. These procedure are in compliance with the agency's administrative plan. Documentation could not be found for one tenant placed on the list in 2009.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

Anticipated completion date: This finding is considered to be cleared at March 2014.

Reference # and title: **2013-011** **Special Test and Provisions- Rent Reasonableness**

Federal program and specific Federal award identification: This finding is specific to the Section 8 Housing Choice Voucher program CFDA #14.871, for the Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Condition: According to 24 CFR 982.507, the agency must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Vouchers program. In addition, if the landlord requests a change in rent during the year, the agency must also determine if the new rent change is considered reasonable. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. The industry practice is to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than sixty months according to the administrative plan.

In testing a sample of four units the following exceptions were noted:

- 3 exceptions were noted in which no supporting documentation could be found for rent reasonableness.
- 2 exceptions in which it was impossible to determine rent reasonableness was completed.

Corrective action planned: The agency revised and implemented procedures to determine if the initial rent to owner is a reasonable rent before the lease is approved. The rent reasonableness is documented using the Request for Tenancy Approval form, or the Rent Reasonable Survey form completed by the landlords. The results is entered in the PHA Web online system, and the supporting documentation maintained in the rent reasonable folder based upon census tract. The revised procedures are included in the program administrative plan.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: This finding is anticipated to be cleared at September 2014.

Reference # and title: **2013-012** **Special Tests and Provisions-HQS Enforcement**

Entity-Wide or program /department specific: This finding relates to the Section 8 Housing Choice Voucher program, CFDA #14.871 for Federal Award Year 2013 received from Federal Agency: Department of Housing and Urban Development.

Condition: For units under Housing Assistance Payment (HAP) contract that fail to meet Housing Quality Standards (HQS), the agency must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must stop (abate) HAPs beginning no later than the first of the month following the specified correction period or must terminate the HAP contract. The owner is not responsible for a breach of HQS as a result of the family's failure to pay for utilities for which the family is responsible under the lease or for tenant damage. For

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

family-caused defects, if the family does not correct the cited HQS deficiencies within the specified correction period, the PHA must take prompt and vigorous action to enforce the family obligations (24 CFR sections 982.158(d) and 982.404).

Community Services could not provide a complete list of failed inspections for the 2013 fiscal year so this requirement could not be adequately tested; the listing provided by Community Services was only for the period from October 2013 through December 2013. A review of the listing identified one failed inspection, which was selected for testing. The reinspection for this failed unit was not performed until 101 days after the initial failed inspection.

Corrective action planned: The late reinspection was due to the change in housing staff. The Section 8 Housing Director resigned in September 2013. The new director was hired and certified as Housing Choice Voucher Specialist in November 2013. A list of the residents who failed Housing Quality Standard inspections (along with those that passed) are recorded on a HQS spreadsheet which reflects the date the unit passed or failed the inspection, and date resident was re-inspected. A monthly pass/fail inspection report is maintained in the Section 8 office and a copy given to the executive director.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: This finding is considered to be cleared at March 2014.

Reference # and title: **2013-013** **Internal Controls over Matching - Head Start**

Federal program and specific Federal award identification: This finding relates to Head Start program, CFDA# 93.600 from Federal Agency: United States Department of Health and Human Services for award year 2013.

Condition: According to 45 CFR 1301.20, Head Start grantees are required to contribute at least 20 percent of the costs of the program through cash or in-kind contributions, unless a lesser amount has been approved by the awarding agency. Also, proper internal controls should be established to ensure that amounts recorded as in-kind contributions are supported by proper supporting documentation and to ensure that the correct amount is recorded.

Community services provided a listing of in-kind amounts recorded during the year related to the Head Start program to the auditor as well as supporting documentation retained. For speech therapy donated services, Community Services was able to provide a spreadsheet of all services recorded as in-kind during the year. However, it was noted that the balance of the spreadsheet was not properly calculated and that Community Services was unable to provide proper supporting documentation for the full year for the amounts recorded. For volunteer in-kind (parent volunteers), it was noted that the amount recorded did not agree to the underlying supporting documentation. It was noted that the amount in this area was overstated based on a mathematical error. For amounts recorded related to donated building usage, it was noted that the underlying supporting documentation did not agree to the amount recorded.

Additionally, a monitoring report prepared by the Administration for Children and Families after a review of the Head Start program noted that Community Services did not ensure that third-party in-kind contributions used to satisfy its matching requirement were verifiable from its records. There was no detailed information showing the

**Webster Parish Police Jury
Corrective Action Plan for Current Year Audit Findings and Questioned Costs
For Year End December 31, 2013**

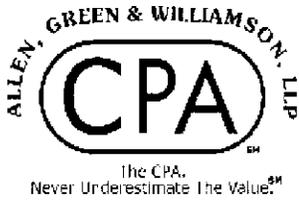
name of the child, dates of service, and services provided to support in-kind claims, and professional agreements did not specify services to be treated as in-kind contributions.

Corrective action planned: The agency developed and implement use of a maintenance in-kind tracking form to document volunteer hours. The agency also revised the in-kind form for speech therapy consultants to sign and document donated services. The revised consultant's form includes name, dates of service, and services provided to support in-kind claims. The agency revised the procedures for calculating the parent volunteer in-kind hours. The revised procedures require monthly reporting of the hours to the director and controller. Both of employees are responsible to verify the supporting documentation and calculations.

Person responsible for corrective action:

Mary Whitaker, Executive Director	Telephone:	318-377-7022
Webster Parish Office of Community Services	Fax:	318-377-2870
P. O. Box 876		
Minden, LA 71058-0876		

Anticipated completion date: This finding is considered cleared at December 31, 2013.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Partners: Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA
Principal: Cindy Thomason, CPA

Matt Carmichael, CPA
Diane Ferschoff, CPA
Jaime Esswein, CPA, CFE
Jaunicia Mercer, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Management Letter

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, the discretely presented component units of the Community Services and E-911, each major fund and the aggregate remaining fund information of the Webster Parish Police Jury as of and for the year ended December 31, 2013, we considered the Jury's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted a certain operational matter that is presented for your consideration. This letter does not affect our report dated July 14, 2014 on the financial statements of the Police Jury. We will review the status of this comment during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing these recommendations.

2013-M1 **Excessive Fund Balance in the E-911 Component Unit**

Comment: The Webster Parish Communication District, which is a component unit of the Webster Parish Police Jury, receives approximately 85% of its revenue or approximately \$380,000 from service charges levied on telephone users. As of December 31, 2014, the Communication District had a fund balance of \$1,084,717. Of this balance \$202,978 was committed to a building fund and an equipment fund with the remaining balance of \$881,739 being unassigned. Currently, the District does not have a plan in place to substantially reduce the excessive fund balance in order for telephone customers to be benefitted as well as have not considered adjusting the service charge levied to reduce the fund balance. Louisiana Revised Statute RS 33:9126 states that if the proceeds generated by an emergency telephone service charge exceed the amount of monies necessary to fund the district, the governing authority shall, by ordinance, reduce the service charge rate to an amount adequate to fund the district. In lieu of reducing the service charge rate, the governing authority may suspend such service charge. The governing authority may, by ordinance, reestablish the original emergency telephone service charge rate, or lift the suspension thereof, if the amount of monies generated is not adequate to fund the district.

Recommendation: The Communication District should consider developing a plan to begin spending the excess in fund balance for the benefit of the district's citizens as well as consider adjusting the service charge levied to reduce the excess fund balance.

Managements Response: I will bring it to the attention of the Board.

2013-M2 **Bid Publication**

Comment: The Webster Parish Police Jury is required to follow the Louisiana Bid Law R. S. 38:2212.1 stating "The advertisement required by this Section for any contract for materials or supplies shall be published two times in a newspaper in the locality, the first advertisement to appear at least fifteen days before the opening of the bids. In addition to the newspaper advertisement, a public entity may also publish an advertisement by electronic media available to the general public." In testing the bids, it was noted that the ad for the 2013 construction material bids was only published once instead of the two times that was required.

Recommendation: In the future, all purchases exceeding the bid threshold should be advertised for the appropriate number of times to ensure the bid requirements are met.

Managements Response: The publication advertisement for the 2013 road construction materials bid was an oversight and not a practice of the Police Jury. We are aware of the publication requirements and will be more responsible in assuring that Bid Law is followed for future publications. Web site publication was also used for the 2013 road construction materials bid as well as electronic bid (Bid Sync).

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, the discretely presented component units of the Community Services and E-911, each major fund, and the aggregate remaining fund information of the Police Jury, as of and for the year ended December 31, 2013, which collectively comprise the Police Jury primary government's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's response to our current year management letter items. We have performed no audit work to verify the content of the responses.

This report is intended solely for the information and use of the Police Jury, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP
Monroe, Louisiana

July 14, 2014