

OUACHITA PARISH, LOUISIANA

2012 ANNUAL OPERATING BUDGET

POLICE JURORS

SHANE SMILEY, President	DISTRICT E
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PATRICK HEMPHILL, District Fire Chief	STEVE McADAMS, Health Unit
JOHN TOM MURRAY, Public Works	ROBIN TOMS, Public Library
V. MICHAEL RHODES, Juvenile Detention Home	SHANNON RIDER, Mosquito Abatement
JULIA KIRBY, Corrections Coordinator	TRACY HILBURN, Homeland Security
PEGGY STEELE, Housing	CRAIG LOTT, 911 Communications District
MAJ. BRIAN NEWCOMER, Warden, O. C. C.	DPTY. HACK TULL, Animal Control
DORETHA BENNETT, Workforce Investment Board	

GOVERNMENTAL FUNDS

ANNUAL OPERATING BUDGETS

2011 AMENDED * * * 2012 ADOPTED

The Budget Committee and Treasurer are pleased to present the annual operating budgets for the various funds and departments for the 2012 Operating, Capital Improvement, Debt Service and Internal Service budgets for the Ouachita Parish Police Jury. This recap summarizes the most significant factors included in the 2011 Amended and 2012 Adopted budgets and includes the revenue and expenditure assumptions. The parish's resources include a wide variety of revenues that are designed to protect the community's physical security, improve its physical condition, and enhance the quality of life for its citizens.

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

Here are some highlights...

General Financial Conditions

- As stated last year, the nation's economic crisis has had an impact upon the budgets under the umbrella of the Police Jury, and is beginning to have a significant impact on the services provided by the Parish due to cuts in funding from Federal and State agencies. Although energy and fuel costs have risen, the largest expenditure category for the budgets remains personnel costs. The Jury has allowed departments to include a cost of living increase within their budgets in the amount of 2%. Unfortunately, personnel related benefits such as health insurance and retirement have seen major increase for the year 2012, and it appears that the increases in retirement are here to stay for the short term, and the increase in health insurance is here to stay for the long term.

As part of the budget process each year, the Jury reviews a variety of information related to salaries and wages of its employees. In general, this review continues to indicate that our employees are at or below prevailing levels in the workplace for their level or responsibility or longevity. Retirement provisions for Parish employees are dictated by state law and the funds are administered at the state level. The Jury is largely limited to a role of funding the requirement. Since the various retirement programs remain defined benefit, the low interest rate environment continues to result in very substantial increases in that funding requirement. Based on present projections it is entirely possible that the next budget will not allow any provision for cost of living increases.

Early during the past decade the Parish headcount declined for several years, was stable for 3 years, but has declined again in 2011. Overall levels of service remain stable, although this is by no means assured for coming years.

- Using conservative practices in the past few years, the elected officials have been able to maintain the General Fund in a positive cash flow position while meeting all demands placed upon the fund by State laws that mandate support for a variety of “reasonable and necessary” expenses of the local Judiciary system as well as other Parish-level officials. The Police Jury’s General Fund will not be able to maintain that trend for 2012, which has a budgeted deficit of \$7,435.

Exhibit 1 provides information regarding the impact of “state-mandated” and “reasonable and necessary” expenses on the parish General Fund.

Road and Drainage

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

Sales tax received in 2010 totaled \$5,744,141 which was \$174,701 above expectations. The budgeted amount for sales tax collections in 2011 is \$5,621,917. With collections through October totaling \$4.8 million we are expecting the final total to be just above \$5.7 million for the year. As collections have been flat over the last couple of years the usual 3% increase was not included in the budget for 2012.

The portion of the sales tax remitted to the Town of Sterlington per the agreement between the town and the Police Jury amounted to \$175,505 in 2010. The transfer for 2011 is expected to be above \$200,000. The town, in return performs all maintenance on streets and drainage within the town limits.

The Public Works Department completed the 2011 Chip Seal/Overlay Program which consisted of work on 5.8 miles of roadway. Another 2.2 miles was improved under the Road Reconstruction Program. Total material cost for the two programs was \$576,034.

Contract paint striping of parish roads continued in 2011 with funding coming from the Public Works budget, \$75,000 has been budgeted for contract paint striping in 2011 and in 2012.

Through funding made available by the Louisiana Government Assistance Program, Aulds Road was reconstructed with a soil cement base and chip sealed.

Through funding made available by Louisiana Community Development Block Grants, Lilac and Gary Streets are being reconstructed by contract.

Work is still ongoing as a result of the stimulus funds made available as a result of the American Recovery and Reinvestment Act of 2009. Funding provided through the Federal Off-System Bridge Replacement Program along with stimulus funds has made the reconstruction of several bridges possible. Bridge replacements are prioritized through the Federal Off-System Bridge Replacement Program and administered by the Louisiana Department of Transportation and Development. Four bridges have been reconstructed in 2011 and a fifth will be completed by early 2012. The structure on Hadley Street over Young’s Bayou is expected to be left for construction in 2012 and it is the last in this group of bridges. Since work began in late 2009 a total of 13 timber bridges have been replaced either with concrete bridge structures or concrete box culverts.

Fire Protection

- The Ouachita Parish Fire Department is the agency of first response to emergencies reported within its jurisdiction, which includes the entire Parish of Ouachita with the exception of the cities of Monroe and West Monroe. The department maintains a balanced budget with primary funding sources of an Ad Valorem tax and sales tax. The Ad Valorem tax of 19.11 mills is projected to generate \$8,203,867 in 2012. The one-cent sales tax remains fairly constant and is projected to generate \$5,500,000 in 2012. The Police Jury has chosen to set aside capital funds in a Fire District No. 1 Capital Outlay Fund each year starting in 2006. All firefighting apparatus, vehicles, and major equipment purchases are made from this fund. Protested taxes from previous years in the amount of \$415,081 were added to the fiscal year 2011 deposit into this fund. The operating budget for fiscal year 2012 designates a deposit of \$400,000 into the Capital Outlay Fund which is expected to have a fund balance of \$4,854,780 at 12/31/12.

Library

- The new Cpl. JR Searcy Memorial Branch of the Ouachita Parish Public Library was dedicated and opened to the public on February 10, 2011. This beautiful library facility is located in southwest Ouachita Parish at the corner of Highway 34 and Mount Vernon Church Road. The library was named to honor the memory of the late Cpl. JR Searcy, a Ouachita Parish Sheriff's deputy who lost his life in the line of duty in March, 2010. A beautiful bronze life-sized statue of Cpl. Searcy and his K-9 partner, Rico, was unveiled in a public ceremony held on March 4, 2011, on the one-year anniversary of his death. A private citizens group raised funds for the statue and donated it in his memory to the Ouachita Parish Public Library. A bronze plaque commemorating the naming of the library and the donation of the statue was donated by Cpl. Searcy's family and friends and hangs in the foyer of the building.

The Ouachita Parish Public Library System's ten branches, bookmobile, and outreach van are well-used by the public. A total of 76,920 citizens are currently active registered borrowers of the library system, having used their library cards to borrow materials at least once during the past three years. From January through November, 2011, the library system circulated a total of 899,837 items to borrowers, which is an increase of 2.6% over the same period for 2010. During the first eleven months of 2011, the public made a total of 851,140 actual visits to all library facilities and 364,091 virtual visits to the library's website, www.oplib.org

The materials collection consists of 440,734 total items including books, DVDs, videos, recordings, e-books, audio e-books, periodicals, art prints and more.

The Ouachita Parish Public Library is state and nationally recognized for the outstanding library programs offered to the citizens of our parish. In 2011, a total of 3,711 programs were held throughout the system with 50,047 people attending.

In June of 2011, the Ouachita Parish Public Library became the only public library in Louisiana to be invited to host a traveling mobile exhibit from the Smithsonian Institution called *Gateway to Knowledge*. The exhibit was housed on a specially equipped 18-wheel truck and contained reproductions of some of the Library of Congress' greatest original treasures from its collection, including a 1455 Gutenberg Bible; a 1507 map which is the first known to contain the word "America"; the rough draft of the Declaration Of Independence; videos of the earliest movies; and copies of the original artwork for the first Spider-Man comic book. Approximately 1,100 citizens toured this exhibit during its two-day stop in Ouachita Parish.

Each year, OPPL offers the *River Reads* community-wide reading program. The 2011 *River Reads* book was Coming Back Stronger: Unleashing the Hidden Power of Adversity by New Orleans Saints quarterback Drew Brees. This popular book was the basis of many fun and informative library programs featuring the theme of staying positive and overcoming adversity. The finale to the program was a Saturday reading marathon at all library branches called *Read Strong*. People of all ages were asked to read silently for two hours to reach our parish-wide goal of 10,000 pages read. The citizens Ouachita Parish proved they are strong readers by beating that goal and reading almost 25,000 pages!

OPPL was the recipient of several grants in 2011 used for programs to improve the reading and literacy skills of children and teens, including a \$2,000 grant from Target; a \$150 American Library Association "Great Stories Club" Grant, which included an author visit by a best-selling young adult author; and a \$10,000 Community Development Grant from the Junior League of Monroe awarded to the Friends of Ouachita Public Library for Summer Reading Program activities.

The library also had the opportunity this year to partner with other parish departments and agencies, including the Green Oaks Juvenile Detention Center and Workforce Investment, to jointly provide educational programs and services to the public.

Mosquito Control

West Nile Virus continues to be a risk for individuals residing in Ouachita Parish. Fortunately in 2011, Ouachita Parish encountered virtually zero disease. In regards to the West Nile Virus (WNV), Ouachita saw zero positive mosquito pools and as of the middle of December there had been no human or horse cases reported. The zero positive mosquito pools returned from testing were not only negative for WNV but for St. Louis Encephalitis and Eastern Equine Encephalitis as well. These results are from a total of 771 mosquito pools.

These extremely low West Nile numbers are not characteristic for this area especially under drought conditions which were seen in 2011 as we usually experience an increased number of positive WNV mosquito pools during summers of drought. However, due to heavy rains in the spring followed by sporadic rain showers scattered throughout the area through the summer (though we were still experiencing drought conditions) and two reported cases of Eastern Equine Encephalitis in horses in the area, we did not decrease the dosage of adulticide sprayed in the parish. We continued to spray at an increased dosage of .0025 lbs. of active ingredient per acre.

The lack of disease presence in Ouachita Parish this year allowed us to save significantly by not spending on contractual costs (aerial spraying) and by only spending approximately 60% of our chemical budget. This has helped to provide us with a surplus for 2011. Also, the mosquito abatement tax millage was reduced from 1.99 mils to 1.6 mils and will be reflected on residents' 2011 property tax notices. This is because the Ouachita Parish Mosquito Abatement District met its goal of attaining \$1,000,000 in an Emergency Disease Control Fund.

Not only does West Nile continue to be a risk for residents of Ouachita Parish, mosquito control districts across the south are also accepting the reality that other known vector-borne diseases could be found in their areas within the next few years. Dengue Fever is the fastest approaching threat on the horizon as it is becoming endemic in southern Florida. These new threats along with the current ones are reasons that mosquito control is vital to this area.

Juvenile Justice

The Green Oaks Juvenile Detention Center's Ad Valorem Tax will be levied for 2012 at 2.65 below an approved 2.91 mills. The present millage will expire December 31, 2015.

In 2012, the detention center will construct a classroom building. The funds for this construction will come from funds left over from the 1996 construction of the new detention center and the 2012 operating budget year end fund balance.

OCC

- The Correctional Center completed a new "trusty" dorm in 2010 that will house 100 inmates. The addition increased the capacity at the Jail by only 60 beds since the previous dorm for the trusties held 40 trusties (which are Department of Corrections (DOC) inmates). The State of Louisiana currently pays \$24.39 per day for each DOC inmate. During the time of construction of the trusty dorm, OCC was not able to house 40 DOC inmates. Therefore the revenue during 2010 dropped substantially. While it was anticipated that the dorm would be filled with DOC inmates that was not the reality throughout much of 2011. The original 2011 OCC budget was based upon 285 DOC inmates, and the revenue generated thereof. However, the average number of DOC inmates for the first half of 2011 was only 250. There has been a lot of local, inter-government discussion concerning the need for increasing the number of DOC inmates. And, fortunately with all parties working together, it appears that the average number of DOC for 2011 will be 280. The extra 30 DOC accounts for \$267,071 of revenue for the OCC fund.

The millage of 8.60 for operations and the .60 millage dedicated for future capital outlay improvements will expire in 2011. The fund balance for OCC continues to experience substantial depletion. In early 2011 the Jury called for an early election for an increased millage of 11.30 mills. The election was defeated by the voters. At present, there is local, inter-governmental cooperation to determine the amount of millage that the voters will be comfortable with supporting and approving. Therefore, the 2012 budget has been prepared with a straight renewal of the 8.60 mills for operations.

State law dictates responsibilities for both the Police Jury and the Sheriff regarding provision and staffing of a local jail. In the event the fund balance is depleted and the voters decline to approve the millage, the General fund will be the only source of funding available to fulfill the Police Jury portion of those obligations in the amount of approximately \$3.5 million. Given the General Fund already has a planned deficit, and unobligated balance of less than 3 months of normal expenses, the financial condition of the OCC fund represents a substantial risk to the general parish government.

Health Unit

- During 2011 the Office of Public Health (OPH)/Ouachita Parish Health Unit provided clinic services to over 24,000 patients including the issuance of \$4,500,000 in WIC vouchers. Immunization records were retrieved and printed for 4,700 residents. The Vital Records office received over 23,000 visitors. Environmental Health Services made 6,257 field visits during the course of completing among other duties 4,858 retail food inspections, 471 institution inspections (day care centers, schools, detention centers, hospitals and clinics, and public buildings), reviewing, permitting and approving the installation of approximately 900 individual sewage systems and conducting more than 350 private premise inspections for home sale or complaint investigation. The State OPH budget for staffing and operating costs for Ouachita Parish in 2010 was approximately \$2,042,000. Parish millage funding expended for Health Unit operations was approximately \$450,000.

911 Communications District

- The 911 Communications District is funded by a monthly surcharge on telephone customer fees. These surcharge rates vary from 85 cents for wireless telephone customers, 2% of the base rate for prepaid wireless customers and 3% for landline customers. In 2012 the District projects to receive \$998,000 from wireless telephone service providers, \$143,500 from prepaid wireless service providers and \$468,000 from landline telephone service providers. The total expenditures for 2012 are anticipated to be \$3,948,847. All expenditures will be used solely for the implementation and operation of 9-1-1 communications services.

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

The Communications District is currently in the process of equalizing and enhancing the communications systems at all seven, 9-1-1 PSAP locations. These enhancements will include a Next Generation Ready telephone system and an integrated Computer Aided Dispatch System (CAD). The NGR telephone system will facilitate the possibility of receiving text and images through the 9-1-1 network. The CAD system will enhance emergency response by validating and prioritizing response data. The mobile portion of the CAD system will give the responders the ability to send and receive data while responding to emergencies.

In an effort to enhance emergency response, the District is implementing an Enterprise Geographic Information System. This system is an intelligent mapping system that is used to display 9-1-1 caller locations along with aerial photography, structure addresses, transportation infrastructure and jurisdictional boundaries. The Communications District, the Assessor's Office and the City of Monroe are currently members of the Enterprise GIS. In 2012 we anticipate that other entities will join the Enterprise to take advantage of the common Enterprise GIS hosted by the Communications District. Organized workflows from all enterprise members are essential to the function of the GIS. The CAD system to be implemented will use the GIS as a foundation.

FUND BALANCES:

The amended budget for 2011 and the adopted budget for 2012 have been prepared to consider utilizing available operating revenues and fund balances as follows:

1. GENERAL FUND

The fund balances for the years ended December 31, 2011 and 2012 are anticipated to be \$3,759,217 and \$3,751,782 respectively. You will see the consolidated General Fund in Section 3 of this book. The consolidated General Fund includes funds that have been set aside by the Police Jury for specific projects or anticipated needs, such as School-Based Clinics, Drainage and Litter programs, Cemetery maintenance and a new Pump Station Utility Fund. This fund will function as a reserve for large unforeseen utility expenses related to the operation of the pump stations in a major flood situation. To begin building the fund's reserves, the Jury has voted to appropriate \$20,000 annually beginning in 2011. The anticipated annual utility

expenses are \$10,000, therefore accumulating \$10,000 in reserves each year. The Jurors recognize the importance of keeping the General Fund in a positive cash flow position and hold monthly Finance Committee meetings to receive monthly updates in order to stay abreast of the General Fund's status.

2. **PUBLIC WORKS**

The Public Works Special Revenue Fund Balances are expected to be in 2011 and 2012, \$2,350,640 and \$1,041,024 respectively.

3. **CAPITAL OUTLAY ROAD PROGRAM**

There is \$4,503,533 budgeted for road surfacing projects in 2012. The fund balance will be reduced to \$10,042 by 12/31/2012.

4. **FIRE PROTECTION DISTRICT**

The fund balance anticipated for December 31, 2012 is \$13,219,802. Although, glad to have experienced an increase of Sales Tax proceeds during 2006 - 2008, we are anticipating a decrease in those elevated collections for the current and future years. Property tax collections will remain steady as projected due to a renewal of the existing millage.

5. **PARISH LIBRARY**

The anticipated fund balance is \$6,653,817 at 12/31/2012.

6. **GREEN OAKS DETENTION**

Green Oaks is anticipating \$5,773,917 fund balance at 12/31/2012.

7. **CRIMINAL COURT FUND**

The Criminal Court Fund maintains a zero fund balance since the Fourth Judicial District Attorney supplements the fund's deficit. The District Attorney is working diligently with other local jurisdictions on new ways to increase revenues and decrease expenses to keep the Criminal Court Fund adequately funded.

8. **MOSQUITO ABATEMENT FUND**

The fund balance for the Mosquito Abatement District at 12/31/2012 is anticipated to be \$2,974,119 with on-going positive cash flow and the Emergency Disease Control Fund has been allocated a total of \$1,000,000 from the Operations Fund since its inception in 2009.

9. **CORRECTIONAL FACILITIES FUND**

The fund balance for 12/31/12 is anticipated to be \$8,156,885.

10. **HEALTH UNIT AND ANIMAL CONTROL FUNDS**

HEALTH UNIT – The anticipated fund balance at 12/31/12 will be \$1,689,119. The Police Jury has been setting aside some of the operating funds into a Capital Outlay Fund for future capital needs. The total in the Capital Outlay fund at 12/31/2012 will be \$511,819.

ANIMAL SHELTER – The fund balance at 12/31/12 is anticipated to be \$562,624 and positive cash flow is expected.

11. **COMMUNICATIONS DISTRICT FUND**

The Fund Balance for the 911 District at 12/31/2012 will be \$1,382,951 with on-going positive cash flow.

12. **OTHER SPECIAL REVENUE FUNDS**

Other special revenue funds have not experienced material fluctuations in revenues, expenditures and the resulting fund balances; thus a written detailed descriptive analysis is not included in this message.

Description	General Fund	Special Revenue Funds
Fund Balances 12-31-10	\$3,671,188	\$54,695,308
Estimated Revenues 1-1-11 thru 12-31-11	6,059,492	64,838,390
Estimated Expenditures	5,624,929	64,840,177
Other Financing Sources (Uses)	(346,534)	(514,873)
Fund Balance 12-31-11	3,759,217	54,178,648
Proposed Revenues 1-1-2012 thru 12-31-2012	5,398,422	80,014,221
Proposed Expenditures	5,081,747	88,218,955
Other Financing Sources (Uses)	(324,110)	(438,695)
Anticipated Fund Balances 12-31-2012	\$3,751,782	\$45,535,220

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

Charles E. Jackson, III,
District A
Finance / Budget Committee Chairman

INTRODUCTION

The Ouachita Parish Police Jury is the governing authority for Ouachita Parish and is a political subdivision of the State of Louisiana. The police jury is governed by six (6) jurors representing six single member districts within the parish. The jurors serve four-year terms that expire with the first scheduled meeting in January 2012.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

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

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

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

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

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

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

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

C. FUND ACCOUNTING

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

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

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

GOVERNMENTAL FUNDS

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

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

PROPRIETARY FUNDS

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

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

FIDUCIARY FUNDS

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

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

D. BASIS OF ACCOUNTING

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

Revenues

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

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

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

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

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

Expenditures

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

Other Financing Sources (Uses)

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

Deferred Revenues

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

Prepaid Expenses

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

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

E. BUDGETS

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

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

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

F. ENCUMBRANCES

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

G. INTERFUND TRANSACTIONS

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

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

H. SALES AND USE TAXES

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

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

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

2. AD VALOREM TAXES

The following is a summary of authorized and levied ad valorem taxes for 2011:

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
<u>General Fund:</u>			
Inside municipalities	2.11	2.09	Statutory
Outside municipalities	4.22	4.18	Statutory
<u>Special Revenue Funds:</u>			
Green Oaks Detention Home	2.91	2.65	12/31/15
Health Unit / Animal Control	.79	.74	12/31/13
Mosquito Abatement Dist. No. 1	1.99	1.60	12/31/18
Library	7.75	7.50	12/31/15
Jail Facilities	8.60	8.51	12/31/11
Fire Prot. Dist. No. 1	19.24	19.11	12/31/19
<u>Capital Projects Funds:</u>			
Correctional Center Construction Fund	.60	.59	12/31/11

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

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

Assessment date January 1

Official levy date November

Date taxes become due December 31