

OUACHITA PARISH, LOUISIANA

2015 ANNUAL OPERATING BUDGET

POLICE JURORS

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

Department Heads

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

GOVERNMENTAL FUNDS

ANNUAL OPERATING BUDGETS

2014 AMENDED * * * 2015 ADOPTED

The Budget Committee and Treasurer are pleased to present the annual operating budgets for the various funds and departments for the 2015 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 2014 Amended and 2015 Adopted budgets and includes the revenue and expenditure assumptions. The parish's resources include a wide variety of revenues that are designed to protect the community's physical security, improve its physical condition, and enhance the quality of life for its citizens.

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

Here are some highlights...

General Financial Conditions

As stated last year, the nation's economic crisis has had an impact upon the budgets under the umbrella of the Police Jury, and is beginning to have a significant impact on the services provided by the Parish due to cuts in funding from Federal and State agencies. Although energy and fuel costs have risen, the largest expenditure category for the budgets remains personnel costs. The Jury has allowed departments to include a cost of living adjustment within their budgets in the amount of 2.5% in an effort to keep up with long term inflation. Unfortunately, personnel related benefits such as health insurance and retirement have seen steady increases for several years, and it appears that the increases in retirement are here to stay for the short term, and the increase in health insurance is here to stay for the long term.

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

General Fund

Using conservative practices in the past few years, the elected officials have been able to maintain the General Fund in a positive cash flow position while meeting all demands placed upon the fund by State laws that mandate support for a variety of "reasonable and necessary" expenses of the local Judiciary system as well as other Parish-level officials, and replace and repair some aging HVAC equipment. The Police Jury's General Fund will not be able to maintain that trend due to the ever increasing demands placed upon the General Fund. For the year 2015, the jurors agreed with the DA to supplement the Criminal Court Fund \$350,000.

Roads and Drainage

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

Sales tax received in 2013 totaled \$7,055,421 which is \$1,264,846 over the original budget of \$5,790,575. This amounts to an increase in collections of almost 22%. Of this amount, \$192,668 is due to a portion of sales tax receipts being incorrectly reported to other taxing bodies in 2011.

The original 2014 budgeted amount for sales tax was \$5,964,292. The amended budget was increased to \$6,759,076. The numbers for November and December are not in as of this time, however if the average holds, the total receipts for 2014 should be over \$7,250,000. This number does include approximately \$330,000 in payments from the City of West Monroe from misdirected sales tax receipts from 2011 and 2012. This reimbursement will be completed in 2014.

The 2015 original budgeted amount for sales tax is \$6,143,221, which is a 3% increase over the original 2014 budget.

Work is still ongoing on the 2014 Chip Seal/Overlay Program which consisted of work on 10.52 miles of roadway. Another 1.96 miles was improved under the Road Reconstruction Program. Total material cost for the three programs was \$725,000. A total of \$552,500 has been budgeted for chip seal and road rehabilitation in 2015 from the Public Works budget.

Two small bridges were replaced with culverts in 2014. These were a one span bridge on North Hilton Street and a two span bridge on Cox Street. Other bridges that received extensive repair in 2014 were Hadley Street Bridge over the Airport Canal and a bridge on New Mineral Springs Road.

Contract paint striping of parish roads will not be let in 2014. \$215,668 has been budgeted for contract paint striping in 2014 with all the funding coming from the Public Works budget. This amount was lowered to \$150,000 in the 2014 Amended budget with another \$150,000 budgeted for 2015.

A line of severe thunderstorms with imbedded tornadoes struck Ouachita Parish on October 13, 2014 causing mostly moderate damage primarily to private homes and businesses. Public Works sent approximately \$90,000 removing vegetative debris from parish roads. The dollar value of the damage parish-wide did not meet the threshold required to qualify for federal reimbursement.

There are several bridges scheduled for various degrees of repair in 2015.

Fire Protection

The Ouachita Parish Fire Department is the agency of first response to emergencies reported within its jurisdiction, which includes the entire Parish of Ouachita with the exception of the cities of Monroe and West Monroe. The department maintains a balanced budget with primary funding sources of an Ad Valorem tax and a sales tax. The Ad Valorem tax of 19.11 mills was rolled back to 19.00 mills in 2012. It is projected to generate \$9,500,000 in 2014. The one-cent sales tax remains fairly constant and is projected to generate \$6,700,000 in 2014. The Police Jury has chosen to set aside capital funds in a Fire District No. 1 Capital Outlay Fund each year starting in 2006. All firefighting apparatus, vehicles, and major equipment purchases are made from this fund. The Capital Outlay Fund for FY2015 is expected to have a balance of \$4,090,050 at 12/31/15.

Library

The Ouachita Parish Public Library System operates ten library branches throughout the parish as well as a bookmobile and outreach van that provide materials and programs to schools, day care facilities, nursing homes, retirement communities, assisted living facilities, apartment complexes, the homebound, senior citizens and others in need of library services. All of the library's facilities are well-used by the public. In fact, 5,595 new customers received a new library card in 2014 and 73,303 citizens were active registered users, having used their library cards to borrow materials at least once during the past three years. During 2014 the library system circulated a total of 963,362 items to registered borrowers.

The library's materials collection consists of 452,337 total items including books, DVDs, videos, recordings, e-books, audio e-books, periodicals, art prints and more. New materials are continually added to the collection to keep it updated and relevant, while at the same time older materials are removed and sold to the public by the Friends of the Library volunteers to raise additional monies for library programs and projects.

In addition to our facilities and collection, we offer a wide variety of year-round free library programs to the citizens of our parish. In 2014, the library offered 3,816 free public programs attended by 75,617 people. No matter what age or interest, the library offers something for everyone. We are Ouachita Parish's center for lifelong learning.

In 2014, OPPL conducted the 12th Annual "River Reads" community-wide adult summer reading program that encourages citizens to read the same book and attend a library program and participate in discussions and activities that widen the understanding of the book's topic. The 2014 "River Reads" book was **Bone Remains: Cold Cases in Forensic Anthropology** written by LSU forensic pathologist, Mary Manhein. Children and teens were also offered their own summer reading opportunities. "Fizz, Boom, Read" for kids and "Spark A Reaction" for teens were the summer themes for both age groups, with the focus on science, technology, engineering and math-based (STEM) programs, activities and reading.

The library receives the majority of its funding from local sources, primarily from a parish-wide dedicated ad valorem tax millage. Other local sources of revenue include self-generated funds for fines, fees, gifts and donations, interest earnings, etc. State Revenue Sharing funds to replace tax monies lost due to the state's Homestead Exemption make up another large percentage of our budgeted revenues. Through prudent use of the library's resources, the library board and administration have been able to restore the library's fund balance to an acceptable level to ensure financial stability and provide for future needs.

In a time of declining revenue from state and federal sources, it is more important than ever to have adequate and stable funding at the local level to provide the quality of library services, facilities, materials and programs the citizens of Ouachita Parish have come to expect from their parish library system.

Mosquito Control

2014 was the third year in a row of increased disease activity in Ouachita Parish. The year wasn't as detrimental as 2013 in regards to West Nile virus and its most dangerous form, neuro-invasive disease (NID); however, each human case each year is just as significant regardless of numbers. We ended the season with two NID type WNV cases and one fever which was a considerable improvement over 2013 where we ended with 15 NID cases and six fevers.

In 2014, we did not see our first indication of WNV activity until the first week of July which is not unusual for West Nile virus. 2013 and 2014 were comparable in that CDC week 27 returned MIRs (minimum infection rate) of .77 and 1.4 respectively followed by a jump in the infection rate of 5.6 in 2013 to 5.36 in 2014 in CDC week 28. Historically Ouachita Parish generally doesn't see human transmission until the infection rate reaches 7.0. However, due to the progression of the disease in 2013, OPMAD chose not to wait until an infection rate of 7.0 was reached before treating aerially. Once we reached the MIR of 5.36 in week 28, we treated the affected areas immediately by air as to hopefully offset any potential epidemics that might occur otherwise. By the end of the season we had treated large portions of the parish with three treatments (six applications) due to continued disease presence.

We were fortunate in 2014 to be able to fund all of our disease treatments from within our operating budget not having to delve into our cash fund balance or our Emergency Disease Control Fund for support. However, at the end of 2014 we did use a portion of our cash fund balance to purchase a sizeable amount of our most effective ground adulticide as its EPA registration (production) will cease at the end of 2015. This purchase will give us some time to determine a game plan based upon the efficacy demonstrated by the replacement product versus either an increased use of other synthetic pyrethroids or a move to another chemistry altogether.

West Nile virus is still considered a "newer" arbovirus within the United States. Only now after its being present here (US) for 16 years are we beginning to see probable patterns emerge and possibly understand the behaviors and activities of this disease. It is beginning to appear as if its presence is cyclical but that still cannot be determined with certainty until several more years of disease activity, or lack thereof, have passed. West Nile virus is here to stay and with the continued possibility of an outbreak of St. Louis Encephalitis or Eastern Equine Encephalitis combined with the real threat of Chikungunya or Dengue Fever being introduced and becoming endemic in Ouachita Parish, it is vital that Ouachita Parish Mosquito Abatement is at the least continually funded at its current levels with a replenishable Emergency Disease Control Fund always at the ready.

Mosquito control does not get easier as the years progress. It only continues to become harder due to several factors including redundant regulations (that will eventually cripple effective mosquito control programs altogether due to costs), decreased availability of effective products, the continued real threat of the introduction of new arboviruses each year in addition to the ones we currently face, inflation, and other various factors. These factors further prove that mosquito control is not only needed but needs to be continually funded at our current levels to maintain what will eventually become the bare minimum of effective control.

Juvenile Justice

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

The jurors voted to create a "Capital Improvement" fund during 2013. The Green Oaks operations fund transferred \$500,000 to the Capital Improvement fund during 2013 and is budgeted to transfer an additional \$50,000 during 2014 and \$50,000 during 2015. Since the center is now several years old, and since the remaining dedicated capital funds that built the center have been depleted, the new Capital Improvement fund will reserve funds for any major improvements or repairs that may surface in the future.

Ouachita Correctional Center (OCC)

The OCC budget is supported by a 9.20 millage and revenue from the State of Louisiana for State inmates (DOC inmates) held at the facility. The Ad Valorem millage of 9.20 for operations was approved by voters and is the combination of a prior 8.60 millage operation tax and a .60 millage that had been dedicated for future capital outlay improvements. The 8.60 mill and .60 mill taxes expired in 2011. The newly approved 9.20 mill tax will expire in 2016. The original 2014 OCC budget was based upon 310 DOC inmates, and the revenue generated of \$2,759,729. There has been a lot of local inter-government discussion concerning the need to decrease the number of non-sentenced detainees. Fortunately, with all parties in the judicial system working together, it appears that the average number of non-sentenced detainees for 2014 will decrease slightly.

OCC had experienced several years of deficits, but an effort to increase bed space has proven successful since the additional bed space adds room for additional DOC inmates. In addition, all parties in the judicial system have been acutely aware of the cost of operating an adult jail, and every effort is being made to move non-sentenced detainees through the judicial system while maintaining the detainees' due process. In addition, the Sheriff started operating a female work release program from OCC during 2013 which generated \$111,833 in revenues during 2013, and an anticipated \$295,740 during 2014, and an anticipated \$320,711 for 2015. All of the aforementioned will allow OCC to have a positive cash flow for 2014 and 2015.

Health Unit

During 2014 the Office of Public Health (OPH)/ Ouachita Parish Health Unit provided clinic services to over 18,000 patients including the issuance of \$4,000,000 in WIC vouchers. Sanitarian Services made 4,230 field visits during the course of completing among other duties 3,280 retail food inspections, 251 institution inspections (day care centers, schools, detention centers, hospitals and clinics, and public buildings), conducted 508 on-site wastewater inspections, conducted 172 private premise inspections for home sale or complaint investigation, and collected/shipped 19 rabies specimens. The State OPH budget for staffing and operating costs for Ouachita Parish in 2014 was approximately \$1,300,000. Parish millage funding expended for Health Unit operations during 2014 is approximately \$600,000.

911 Communications District

The 9-1-1 Communications District is funded by a monthly surcharge on telephone customer fees. These surcharge rates vary from 85 cents for wireless telephone customers, 2% of the base rate for prepaid wireless customers and 3% for landline customers. In 2015, the District projects to receive \$1,005,000 from wireless telephone service providers, \$198,000 from prepaid wireless service providers and \$586,000 from landline telephone service providers. The total expenditures for 2014 are anticipated to be \$1,723,661. All expenditures will be used solely for the implementation and operation of 9-1-1 communications services.

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

The Parish wide Computer Aided Dispatch System has been operational since November of 2013. We expect to fully integrate the University Police Department as a CAD user in 2015. In addition, the Fire Agencies are expected to be added as mobile users in 2015.

As technology increases the ability to enhance emergency call information, it is becoming necessary to redesign the architecture of the Nation's 9-1-1 system. Implementation of this Next Generation 9-1-1 system will begin to be planned for in the coming years. This change will be the most disruptive change since the implementation of 9-1-1 service but enhancements such as improved network resiliency, text to 9-1-1, picture and video attachments, and Automatic Collision Notification can be accommodated using this improved design.

FUND BALANCES:

The amended budget for 2014 and the adopted budget for 2015 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, 2014 and 2015 are anticipated to be \$4,810,742 and \$4,028,714 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, the Pump Station Utility Fund and a Special Projects Fund. The Jurors recognize the importance of keeping the General Fund in a positive cash flow position and hold monthly Finance Committee meetings to receive monthly updates in order to stay abreast of the General Fund's status.

2. **PUBLIC WORKS**

The anticipated fund balance is \$3,160,221 at 12/31/2014.

3. **CAPITAL OUTLAY ROAD PROGRAM**

There is \$790,564 budgeted for road surfacing projects in 2015 despite \$925,000 being used to match the rebuild of Finks Hideaway Road through the Urban Systems Program. The fund balance will be reduced to \$657 by 12/31/2015.

4. **FIRE PROTECTION DISTRICT**

The fund balance anticipated for December 31, 2015 is \$18,276,130.

5. **PARISH LIBRARY**

The anticipated fund balance is \$9,423,908 at 12/31/2015.

6. **GREEN OAKS DETENTION**

Green Oaks is anticipating \$5,589,671 fund balance at 12/31/2015.

7. **CRIMINAL COURT FUND**

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

8. **MOSQUITO ABATEMENT FUND**

The fund balance for the Mosquito Abatement District at 12/31/2015 is anticipated to be \$ 2,965,596 with on-going positive cash flow and the Emergency Disease Control Fund has been allocated a total of \$775,470 from the Operations Fund since its inception in 2009.

9. **CORRECTIONAL FACILITIES FUND**

The fund balance for 12/31/15 is anticipated to be \$13,115,917.

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

HEALTH UNIT – The anticipated fund balance at 12/31/15 will be \$1,329,849. The Police Jury has been setting aside some of the operating funds into a Capital Outlay Fund for future capital needs. In 2013 a significant amount of the Capital Outlay balance was used to replace the Health Unit's roof, so \$500,000 has been budgeted in 2014 to replenish the Health Unit Capital Outlay Fund. The total in the Capital Outlay fund at 12/31/2015 is expected to be \$638,795.

ANIMAL SHELTER – The fund balance at 12/31/15 is anticipated to be \$623,950 and positive cash flow is expected.

11. **COMMUNICATIONS DISTRICT FUND**

The Fund Balance for the 911 District at 12/31/2015 will be \$3,164,852 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 12-31-13	\$5,041,564	\$63,318,645
Estimated Revenues 1-1-14 thru 12-31-14	6,002,938	71,447,172
Estimated Expenditures	5,502,898	67,727,208
Other Financing Sources (Uses)	(730,862)	(1,269,966)
Fund Balance 12-31-14	4,810,742	65,768,643
Proposed Revenues 1-1-2015 thru 12-31-2015	5,921,950	74,692,396
Proposed Expenditures	5,596,728	77,334,742
Other Financing Sources (Uses)	(1,107,250)	62,250
Anticipated Fund Balances 12-31-2015	\$4,028,714	\$63,188,547

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

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

INTRODUCTION

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

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

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

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

<u>Component Unit</u>	<u>Fiscal Criteria</u>	
	<u>Year End</u>	<u>Used</u>
Cadeville Water District	December 31	1a
Eastern Forest Subdivision Sewerage District No. 14	December 31	1a
East Ouachita Recreation District No. 1	December 31	1a
East Town and Country Drainage District	December 31	1a
Fourth Judicial District Criminal Court Fund	December 31	1a
G.B. Cooley Hospital for Retarded Citizens	June 30	1a
Green Acres Sewerage District No. 13	December 31	1a
Hideaway Road Sewerage District No. 11	December 31	1a
Hospital Service District No. 1	December 31	1a
Ingleside Sewerage District	December 31	1a
Lakeshore Subdivision Sewerage District No. 1	December 31	1a
North Monroe Subdivision Sewerage District No. 1	December 31	1a
Ouachita Community Enhancement Zone, Inc.	December 31	1a
Ouachita Parish Homeland Security & Emergency Preparedness	December 31	1a
Ouachita Parish Library	December 31	1a
Prairie Road Water District	December 31	1a
Southeast Sewerage District No. 3	December 31	1a
Town and Country Drainage District No. 1	December 31	1a
West Ouachita Sewerage District No. 5	August 31	1a
West Ouachita Sewerage District No. 9	December 31	1a
West Ouachita Sewerage District No. 16	August 31	1a

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 2014:

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
<u>General Fund:</u>			
Inside municipalities	2.09	2.08	Statutory
Outside municipalities	4.18	4.16	Statutory
<u>Special Revenue Funds:</u>			
Green Oaks Detention Home	2.91	2.64	12/31/15
Health Unit / Animal Control	.75	.75	12/31/13
Mosquito Abatement Dist. No. 1	1.99	1.40	12/31/18
Library	7.67	7.47	12/31/15
Jail Facilities	9.20	9.20	12/31/16
Fire Prot. Dist. No. 1	19.11	19.00	12/31/19
<u>Debt Service Fund:</u>			
Economic Development	1.80	0.00	12/31/23
<u>Capital Projects Funds:</u>			
All Capital Projects Funds millages have expired			

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

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

Assessment date January 1

Official levy date November

Date taxes become due December 31