

**CLAIBORNE PARISH POLICE JURY**  
**HOMER, LOUISIANA**

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**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2012**



**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

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**Required Supplemental Information (Part I)**  
**Management's Discussion and Analysis**  
**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis  
December 31, 2012

As management of the Claiborne Parish Police Jury, we offer readers of the Police Jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2012. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the Police Jury's basic financial statements. The Police Jury's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

***Government-wide Financial Statements.*** The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The statement of activities presents information showing how the Police Jury's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

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

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

**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis (Continued)  
December 31, 2012

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

The Police Jury maintains nineteen individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund and the Parish Road, Library Maintenance, Sales Tax, Criminal Court and Section 8 Housing special revenue funds which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

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

**Table 1**  
**Net Assets**  
**Governmental Activities**

	2012	2011
Current and other assets	\$ 11,793,350	\$ 9,247,676
Capital assets (net)	5,090,783	4,994,005
Total assets	16,884,133	14,241,681
Long-term obligations (compensated absences)	2,042,617	52,163
Other liabilities	408,080	441,558
Total liabilities	2,450,697	493,721
Net position:		
Invested in capital assets, net of debt	4,855,287	4,994,005
Unrestricted	9,578,149	8,753,955
Total net position	\$ 14,433,436	\$ 13,747,960

**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis (Continued)  
December 31, 2012

**Table 2**  
**Changes in Net Position**  
**Governmental Activities**

	<b>2012</b>	2011
<b>Revenues</b>		
<b>Program revenues:</b>		
Charges for services	\$ 550,761	\$ 600,506
Federal grants	1,062,517	1,044,184
State grants and entitlements	304,667	328,255
<b>General revenues:</b>		
Property taxes	2,896,490	2,814,589
Sales taxes	1,117,311	732,695
Unrestricted grants and contributions	1,457,444	1,383,415
Other general revenues	196,372	190,849
Total revenues	7,585,562	7,094,493
<b>Program expenses</b>		
General government	1,551,153	1,372,908
Public safety	451,203	613,928
Public works	3,092,766	3,092,872
Health and welfare	1,143,811	930,001
Culture and recreation	572,344	542,080
Economic development and assistance	52,591	38,209
Conservation	5,200	4,200
Interest expense	31,018	-
Total expenses	6,900,086	6,594,198
Increase in net position	\$ 685,476	\$ 500,295

At the close of the fiscal year, assets of the Police Jury exceeded liabilities by \$14,432,628. Of net position, \$4,854,479 represents the Police Jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. The remaining balance of net position is made up of bank balances, receivables, and deferred charges.

**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis (Continued)  
December 31, 2012

Nets position increased by \$684,668 or 5% in 2012. Current and other assets increased by \$2,543,517 or 28%. The increase is due to the issuance of bonds for library remodeling and expansion. Only slightly over \$200,000 has been spent as of December 31, 2012. Revenues from federal grants increased only \$18,333 from 2011. Sales tax revenues increased \$384,616 as a direct result of activity of the oil and gas industry in the parish. While we do not expect the same amount of increase in 2013, we do anticipate continued growth in the oil and gas industry in the Parish into the year 2014. Program expenses associated with the line item General Government increased by \$178,245 primarily due to \$127,847 in capital improvements to building infrastructure of which \$80,538 was directly associated with the District Attorney's Office remodel and upgrade. This trend should continue with planned projects involving the Court House, the Administration Building and the Sheriff's Office over the next two years. Public Safety decreased by \$(162,725) which was directly tied to the decrease in prisoner care of \$144,013 of which \$109,623 was directly tied to the decrease in pharmacy costs for male inmates. Public works expenses were almost identical to the prior year and we expect this trend to continue. Health and Welfare increased by \$213,810 of which is directly tied to the two LCDBG Water Projects which are the new well with South Claiborne Water System and the line extension and tank rehab with Leatherman Creek Water System. All Other Expenses increased by \$46,400 of which \$31,018 was interest payments on the Library Expansion Bonds and the remaining \$15,382 was associated with the Police Jury paying the salary of the OPCS Asst. Executive Director during the transition time for the retirement of Mrs. Jean Reynolds Sherrill who had been with the Police Jury OPCS for over 27 years.

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

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
General government	\$ 1,551,153	\$ 1,372,908	\$ 1,036,416	\$ 808,605
Public safety	451,203	613,928	274,698	461,334
Public works	3,092,766	3,092,872	2,604,500	2,706,199
Health and welfare	1,143,811	930,001	433,463	75,685
Culture and recreation	572,344	542,080	544,255	527,021
All others	88,809	42,409	88,809	42,409
Totals	<u>\$ 6,900,086</u>	<u>\$ 6,594,198</u>	<u>\$ 4,982,141</u>	<u>\$ 4,621,253</u>

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

**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis (Continued)  
December 31, 2012

As of December 31, 2012, combined governmental fund balances of \$11,266,653 showed an increase of \$2,580,032 from December 31, 2011. The increase in the General Fund's fund balance from \$2,819,366 to \$3,150,560 is primarily the effect of an increase in cash at yearend of \$262,655 and receivables at the end of the year of \$24,950 and a decrease in payables of (\$41,521) over the same period in 2011.

***Budgetary Highlights.*** Differences between the bottom line of the original budgets and the final budgets were minimal. The Police Jury's budgets were amended once during the year – on December 5, 2012. The only significant change was made in the Sales Fund with a net adjustment of \$326,500 which reflected the increase in sales tax revenue collections. If you remove the Sales Tax Fund budget adjustment the combined net adjustment for 2012 across all funds was \$32,500.

Actual numbers for Sales Tax revenues were significantly higher than expected. Interest on money and property was lower than originally anticipated. In the General Fund, oil & gas severance taxes increased by \$29,000 in 2012. Expenditures were over \$56,000 lower in Public Works due to the savings in the Parish's Chip and Seal Program over the original budgeted amount. General Fund expenditures decreased in 2012 by over \$48,000 mainly due to the decrease in prisoner related health care costs. The Road Fund was supplemented by \$650,000 of transfers from the General Fund (\$400,000) and Sales Tax Fund (\$250,000) which was \$50,000 less than the amount transferred in 2011.

***Capital Asset and Debt Administration***

***Capital Assets.*** The Police Jury's investment in capital assets for its governmental activities as of December 31, 2012, amounts to \$5,090,783 (net of accumulated depreciation). This investment includes land, construction in progress, buildings and improvements, infrastructure roads and bridges, furniture, and equipment. The increase in capital assets for the year was \$96,778. There were several major items that directly affected capital assets during 2012. First, the Jury had \$377,093 in capital expenditures that were building related which included – remodeling of the old Claiborne Drug Building for \$80,538 which houses the new DA's Office; new roofs on several buildings totaling \$46,408 including Voting Storage, CID Storage Barn and Highway Equipment Barn. Second, the Parish started the Library Expansion Project which had \$227,496 of accumulated costs in 2012. The Parish also continued their purchase and upgrade of new equipment for the Claiborne Parish Highway Department which totaled \$241,912.

***Long-Term Obligations.*** At the end of the year, the Police Jury had total long-term obligations of \$2,042,617. Compensated absences total \$42,617, which represents a decrease of (\$9,546) over the previous year. During 2012, the Jury had no long-term debt related to heavy equipment. As of December 31, the Police Jury had bonds payable outstanding of \$2,000,000 all of which were related to the Library Expansion Project.

**Claiborne Parish Police Jury**  
**Homer, Louisiana**  
Management's Discussion and Analysis (Continued)  
December 31, 2012

***Economic Factors and Next Year's Budgets.*** The Police Jury's financial plan for this upcoming 2013 year is well underway with the adoption of a realistic \$8,007,400 budget that meets the needs of the Parish while protecting the long-term financial stability of the Parish. At the end of 2012, the Parish has very little long-term debt, \$2,000,000 in General Obligation Bonds for the Library and \$42,617 in compensated absences for Parish Employees. The Police Jury, at December 31, 2012, had cash and investments totaling \$8,755,145 which represented an increase of \$2,463,379 over the period ended December 31, 2011, which totaled \$6,291,766. The increase was mainly attributed to the proceeds of \$2,000,000 in bonds for the construction of the library project.

During 2012, the Jury completed several major programs that benefited the Parish – they were specifically – (1) the completion of the re-roofing of basically every parish owned building except the courthouse and health unit which should defer most major maintenance costs for several decades while hopefully decreasing energy costs by 10% to 15% annually, (2) the completion of the remodeling of the newly purchased of the Claiborne Drug Building for use by the DA's office, (3) the continuation of the extensive remodeling of the CID Building which will enhance its usefulness by the Sheriff's Office and other local/regional law enforcement agencies, (4) in 2011 the Police Jury was awarded a LCDBG 10-11 Grant of \$330,000 for water improvements to the Leatherman Creek Water System and South Claiborne Water System these projects were wrapping up at the completion of 2012 and they should alleviate some of the water needs in the southern part of the parish, (5) due to the renewal and extension of the library's ad valorem tax (for 20 years) in 2011 the parish was able to award the bid of \$2,529,000 for the library expansion to Garcia Construction of Homer, and (6) a nearly \$15,000 rehab to the exterior of the Claiborne Parish Tax Assessor's Office.

During 2013, the Police Jury continues to work on the following grants and other projects – (1) the continued progress on the \$2,529,000 Library Project, (2) the Jury has been awarded 11-12 LGAP & CWEF Grants for numerous upgrades to several local water systems, (3) a \$50,000 rehab and refurbishment of the exterior of the Claiborne Parish Court House, (4) the completion of the LCDBG Water Projects for the South Claiborne and Leatherman Creek Water Systems façade of the Tax Assessor's Office, (5) starting on the rehab of the exterior of the Police Jury Administrative Office Complex, and (6) development of a long-term plan for the housing the Claiborne Parish Sheriff's Office Administration.

Over the last several years we showed an upward trend in costs associated with Public Safety and Roads and Bridges and Building Maintenance. These are due to general inflationary trends as well as fuel related expenses and our aging infrastructure, respectively. Once again, the continued decrease in interest earned on money and sales tax collections has placed the Police Jury in a very conservative financial mode as it looks into the future. At this time, there are no plans to reduce services, but a concentrated effort is being used to scale back costs and introduce savings across the board.

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

Claiborne Parish Police Jury  
Attn: Secretary-Treasurer  
P.O. Box 270  
Homer, Louisiana 71040

Our telephone number is (318) 927-2222 and we can also be reached via email at [juryc@bellsouth.net](mailto:juryc@bellsouth.net).



## Independent Auditor's Report

The President and Members of the  
Claiborne Parish Police Jury  
Homer, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements of Claiborne Parish's primary government as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Claiborne Parish Police Jury  
Homer, Louisiana  
Independent Auditor's Report,  
December 31, 2012

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

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

### **Adverse Opinion on Aggregate Discretely Presented Component Units**

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Police Jury, as of December 31, 2012, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Qualified Opinion on Aggregate Remaining Fund Information**

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Police Jury as of December 31, 2012, and 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 above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Police Jury, as of June 28, 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 and budgetary comparison information on pages 1 through 5 and 32 through 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Claiborne Parish Police Jury  
Homer, Louisiana  
Independent Auditor's Report,  
December 31, 2012

*Other Information*

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

The combining fund financial statements, the schedule of compensation paid to police jurors, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, the schedule of compensation paid police jurors, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013, on our consideration of the Claiborne Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC

*Bosch & Statham*

Jonesboro, Louisiana  
June 28, 2013

## **Basic Financial Statements**

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES  
STATEMENT OF NET ASSETS  
AS OF DECEMBER 31, 2012**

**ASSETS**

Cash and cash equivalents	\$ 8,755,145
Investments	28,066
Receivables	2,884,715
Deferred charges	125,424
Capital assets, net of accumulated depreciation	5,090,783
<b>TOTAL ASSETS</b>	<b>\$ 16,884,133</b>

**LIABILITIES**

Accounts, salaries and other payables	\$ 375,822
Due to other agencies	16,182
Deferred revenue	16,076
Compensated absences payable	42,617
Bonds payable within one year	145,000
Bonds payable in more than one year	1,855,000
<b>TOTAL LIABILITIES</b>	<b>\$ 2,450,697</b>

**NET ASSETS**

Invested in capital assets	4,855,287
Unrestricted	9,578,149
<b>TOTAL NET ASSETS</b>	<b>\$ 14,433,436</b>

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

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

<b>FUNCTIONS - GOVERNMENTAL ACTIVITIES</b>	<b>EXPENSES</b>	<b>PROGRAM REVENUES</b>			<b>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</b>
		<b>CHARGES FOR SERVICES</b>	<b>OPERATING GRANTS AND CONTRIBUTIONS</b>	<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	
General government	\$ 1,551,153	\$ 514,737	\$ -	\$ -	\$ (1,036,416)
Public safety	451,203	-	176,505	-	(274,698)
Public works	3,092,766	-	269,833	218,433	(2,604,500)
Health and welfare	1,143,811	30,113	680,235	-	(433,463)
Culture and recreation	572,344	5,911	22,178	-	(544,255)
Economic development and assistance	52,591	-	-	-	(52,591)
Conservation	5,200	-	-	-	(5,200)
Interest expense	31,018	-	-	-	(31,018)
Total governmental activities	<u>\$ 6,900,086</u>	<u>\$ 550,761</u>	<u>\$ 1,148,751</u>	<u>\$ 218,433</u>	<u>(4,982,141)</u>
General revenues:					
Property taxes levied for:					
General purposes					857,284
Public works					1,294,231
Culture and recreation					744,975
Sales and use taxes levied for public works					1,117,311
Other taxes, penalties and interest					9,942
Grants and contributions not restricted to specific programs					1,457,444
Unrestricted investment earnings					154,230
Gain on sale of capital assets					8,800
Contributions from private sources					1,000
Other					22,400
Total general revenues and transfers					<u>5,667,617</u>
<b>Change in net position</b>					685,476
Net position at beginning of year					13,747,960
<b>Net position at end of year</b>					<u>\$ 14,433,436</u>

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

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - BALANCE SHEET  
AS OF DECEMBER 31, 2012**

		PARISH	LIBRARY	SALES	CRIMINAL		OTHER	TOTAL
	GENERAL	ROAD	MAINTENANCE	TAX	COURT	SECTION 8	GOVERNMENTAL	GOVERNMENTAL
<b>ASSETS</b>							FUNDS	FUNDS
Cash and cash equivalents	\$ 2,611,108	\$ 134,829	\$ 3,616,156	\$ 1,383,898	\$ 12,099	\$ 77,545	\$ 919,510	\$ 8,755,145
Investments	7,639	3,039	6,244	5,371	-	-	5,773	28,066
Receivables	619,048	931,856	665,331	81,394	13,669	-	573,417	2,884,715
Due from other funds	1,094	-	-	8,260	-	-	-	9,354
Deferred charges	125,424	-	-	-	-	-	-	125,424
<b>TOTAL ASSETS</b>	<u>\$ 3,364,313</u>	<u>\$ 1,069,724</u>	<u>\$ 4,287,731</u>	<u>\$ 1,478,923</u>	<u>\$ 25,768</u>	<u>\$ 77,545</u>	<u>\$ 1,498,700</u>	<u>\$ 11,802,704</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts, salaries and other payables	\$ 181,569	\$ 36,200	\$ 25,724	\$ 56,220	\$ 23,569	\$ -	\$ 52,541	\$ 375,823
Due to other funds	8,260	538	456	-	-	-	100	9,354
Due to other agencies	2,157	-	-	-	-	14,025	-	16,182
Deferred revenue	21,767	43,510	24,726	-	-	16,076	28,613	134,692
Total liabilities	<u>213,753</u>	<u>80,248</u>	<u>50,906</u>	<u>56,220</u>	<u>23,569</u>	<u>30,101</u>	<u>81,254</u>	<u>536,051</u>
Fund balances:								
Nonspendable fund balances	125,424	-	-	-	-	-	-	125,424
Restricted fund balances	-	989,476	4,236,825	1,422,703	2,199	47,444	1,417,446	8,116,093
Unassigned fund balances	<u>3,025,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,025,136</u>
Total fund balances	<u>3,150,560</u>	<u>989,476</u>	<u>4,236,825</u>	<u>1,422,703</u>	<u>2,199</u>	<u>47,444</u>	<u>1,417,446</u>	<u>11,266,653</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,364,313</u>	<u>\$ 1,069,724</u>	<u>\$ 4,287,731</u>	<u>\$ 1,478,923</u>	<u>\$ 25,768</u>	<u>\$ 77,545</u>	<u>\$ 1,498,700</u>	<u>\$ 11,802,704</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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Total fund balance - governmental funds	<b>\$ 11,266,653</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources.	<b>5,090,783</b>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	<b>118,617</b>
Some liabilities, such as bonds payable and compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	<u><b>(2,042,617)</b></u>
Net position of governmental activities	<u><u><b>\$ 14,433,436</b></u></u>

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



Other general government	222,474	-	-	-	-	-	245,830	468,304
Public safety	266,898	-	-	-	-	-	139,316	406,214
Public works	30,884	2,029,542	-	708,213	-	-	42,784	2,811,423
Health and welfare	307,803	-	-	-	-	270,411	509,602	1,087,816
Culture and recreation	-	-	467,156	-	-	-	-	467,156
Economic development and assistance	52,591	-	-	-	-	-	-	52,591
Conservation	5,200	-	-	-	-	-	-	5,200
Debt service	-	-	31,018	-	-	-	-	31,018
Capital outlay	80,538	-	264,197	-	-	-	302,971	647,706
Total expenditures	<u>1,559,442</u>	<u>2,029,542</u>	<u>762,371</u>	<u>708,213</u>	<u>401,576</u>	<u>270,411</u>	<u>1,274,856</u>	<u>7,006,411</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>755,845</u>	<u>(623,072)</u>	<u>53,598</u>	<u>427,495</u>	<u>(17,420)</u>	<u>(32,273)</u>	<u>4,339</u>	<u>568,512</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from issuance of bonds	-	-	2,000,000	-	-	-	-	2,000,000
Proceeds from insurance recovery	-	-	2,720	-	-	-	-	2,720
Operating transfers in	-	650,000	-	-	-	-	24,651	674,651
Operating transfers out	(424,651)	-	-	(250,000)	-	-	-	(674,651)
Sale of capital assets	-	-	-	-	-	-	8,800	8,800
Total other financing sources (uses)	<u>(424,651)</u>	<u>650,000</u>	<u>2,002,720</u>	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>33,451</u>	<u>2,011,520</u>
<b>Net change in fund balances</b>	331,194	26,928	2,056,318	177,495	(17,420)	(32,273)	37,790	2,580,032
Fund balances at beginning of year	2,819,366	962,548	2,180,507	1,245,208	19,619	79,717	1,379,656	8,686,621
<b>Fund balances at end of year</b>	<u>\$ 3,150,560</u>	<u>\$ 989,476</u>	<u>\$ 4,236,825</u>	<u>\$ 1,422,703</u>	<u>\$ 2,199</u>	<u>\$ 47,444</u>	<u>\$ 1,417,446</u>	<u>\$ 11,266,653</u>

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

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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Net change in fund balances - total governmental funds **\$ 2,580,032**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$647,706) exceeded depreciation (\$551,736) for the current period. **95,972**

The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations) is to increase net assets. **808**

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. **(882)**

Governmental funds report the issuance of long-term debt as an other source. However, in the government-wide financial statements, proceeds from the issuance of long-term debt is not treated as an other source but instead increases long-term debt on the Statement of Net Position. **(2,000,000)**

Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds. **9,546**

Change in net assets of governmental activities **\$ 685,476**

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

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**Introduction**

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

Claiborne Parish, established by act of the Louisiana Legislature in 1828, is located in the northwest part of the state and occupies 755 square miles of land with a population of 17,195 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury has approximately 43 full-time and part-time employees (3 in the central office, 9 in the office of community services, 9 in the library, 2 in homeland security and emergency preparedness, and 20 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 727 miles of parish roads, comprised of 568 miles of asphalt and 159 miles of gravel.

The police jury also has the authority to create special districts (component units) within the parish to help in fulfilling its functions. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities. GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement No. 14, the reporting entity for Claiborne Parish 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.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**Introduction (continued)**

GASB Statement No. 14 established criteria for determining which component units should be considered part of Claiborne 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 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority 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 Claiborne Parish reporting entity:

Component Units:	Fiscal Year End	Criteria Used
Claiborne Parish:		
Economic Development Board	December 31	1 & 3
Library	December 31	1 & 3
911 Emergency Communications District	June 30	1 & 3
Tourist Commission	December 31	1 & 3
Watershed District	December 31	1 & 3
Tax Assessor	December 31	2 & 3
Clerk of Court	June 30	2 & 3
Sheriff	June 30	2 & 3
Second Judicial District Criminal Court	December 31	3
North Claiborne Hospital Service District No. 1	June 30	1 & 3
Wards 2 and 3 Recreation Districts	June 30	1 & 3
Lisbon Fire Protection District No. 6	December 31	1 & 3
South Claiborne Fire Protection District No. 5	December 31	1 & 3
Claiborne Parish Fire Protection District No. 4	December 31	1 & 3
Evergreen Fire Protection District	December 31	1 & 3
Claiborne Parish Fire Protection District No. 3	December 31	1 & 3
Pinehill Water System	December 31	1 & 3

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**Introduction (continued)**

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

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

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

The primary government financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the primary government (police jury) and include the Claiborne Parish Library and the Second Judicial District Criminal Court.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and, where applicable, proprietary and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and, where applicable, major individual enterprise funds are reported as separate columns in the fund financial statements.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund financial statements, where applicable. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes, state revenue sharing, and federal and state grants are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the police jury.

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

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

The Parish Road Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, a specific parish wide ad valorem tax, state revenue sharing funds, and operating transfers from the General Fund.

The Library Maintenance Fund is funded by ad valorem taxes and state revenue sharing funds and is used for the general operations of the parish library system. The library was established by the parish governing authority under the provisions of Louisiana Revised Statute 25:211 to provide citizens of the parish access to library materials, books, magazines, reports, and films. The library is governed by a board of control, which is appointed by the parish police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without pay.

The Sales Tax Fund is funded by a one percent sales and use tax collected throughout the parish which expires September 30, 2016. The fund is used to construct, maintain, and operate facilities for the collection and disposal of solid waste. Any surplus remaining in the fund can be used for the purchase of materials for surfacing and maintaining roads within the parish.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement focus, basis of accounting, and financial statement presentation (continued)**

The Criminal Court Fund accounts for Claiborne, Bienville, and Jackson Parishes' fines and forfeitures imposed by the Second Judicial District Court, as provided by Louisiana Revised Statute 15:571.11(c)(3). Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute further provides that one-half of the surplus remaining in the fund at December 31 of each year be transferred to the general funds of the parishes of the district in the same proportion as the revenues in the single account or fund were produced from the parishes.

The Section 8 Fund accounts for the operations of the lower income housing assistance program whose purpose is to aid very low income families in obtaining decent, safe, and sanitary rental housing. Funding is provided by the United States Department of Housing and Urban Development.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the police jury's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance Type Definitions**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Claiborne Parish Police Jury classifies governmental fund balances as follows:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Fund balance may be committed by the Claiborne Parish Police Jury.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Claiborne Parish Police Jury.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Restricted net position**

For the government-wide statement of net position, net position are reported as restricted when constraints placed on net asset use are either:

1. Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.
2. Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the Police Jury's policy to use restricted resources first, then the unrestricted resources as they are needed.

**Deposits and investments**

The police jury's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the police jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Currently, all investments of the police jury consist of short term certificates of deposit with local banks and investments in the Louisiana Asset Management Pool. Investments for the police jury are reported at fair value.

**Receivables and payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Receivables and payables (continued)**

All property tax receivables are shown net of an allowance for uncollectibles. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15. 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 following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General alimony:			
Outside municipalities	4.35	4.07	Indefinite
Inside municipalities	2.17	2.03	Indefinite
Building maintenance	2.48	2.36	2014
Library maintenance	5.44	5.31	2035
Roads	7.00	7.17	2017
Equipment	2.00	2.05	2017

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

On October 22, 2011, voters approved a renewal of the library tax for 6.10 mills beginning 2016 and ending in 2035.

The following are the principal taxpayers for the parish and their 2012 assessed valuation (amounts expressed in thousands):

	<u>2012 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Midcontinent Express	\$ 17,218	12.27%
Gulf Crossing Pipeline Co.	15,968	11.38%
XTO Energy	5,365	3.82%
Marathon Oil Company	4,688	3.34%
Texas Gas Transmission	6,051	4.31%
Centerpoint Energy Gas	5,010	3.57%
James M. Hays	3,065	2.18%
Claiborne Electric Co-op	3,244	2.31%
Entergy Louisiana, Inc.	2,257	1.61%
Hunt Oil Company	2,050	1.46%
Total	<u>\$ 64,916</u>	<u>46.25%</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Receivables and payables (continued)**

On July 25, 2006, voters of the parish renewed a one percent sales tax for the collection and disposal of solid waste and maintenance and acquisition of necessary land, facilities, and equipment related thereto and for materials for surfacing and maintaining roads within the parish. The tax is for a period of ten years and will expire on September 30, 2016. By an agreement between the police jury and the Claiborne Parish School Board, the school board serves as the collection agent for the sales tax. The school board receives three percent of all taxes collected in return for its services as the police jury's collection agent.

**Capital assets**

Capital assets, which include property, plant, equipment, etc., are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$5,000 or more for capitalizing assets. The library, office of community services, and office of homeland security and emergency preparedness maintain a threshold level of \$500 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized.

Under current state law each parish the State is not allowed to add any new DOTD maintained roads to its road system without the parish accepting matching mileage of an existing DOTD road into its system. When the new truck by-pass was completed in the fall of 2010, the Claiborne Parish Police Jury was required to accept Hwy 807 into the parish road system to meet this requirement since the bypass was a new DOTD maintained road.

All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Infrastructure	30 - 40 Years
Land improvements	20 - 30 Years
Buildings and improvements	10 - 40 Years
Public works equipment	5 - 15 Years
Vehicles	5 - 10 Years
Office furniture and equipment	5 - 10 Years
Library books and videos	10 Years

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Compensated absences**

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

Employees of the Claiborne Parish Police Jury earn from 5 to 11 days of vacation leave each year depending on length of service. All employees earn 10 days of sick leave each year. Employees may accumulate and carry forward a maximum of 26 days (208 hours) of vacation leave. Upon retirement or separation from employment, employees are paid for accrued and unused vacation leave at their then current rate of pay. Sick leave may be accumulated and carried forward without limitation. However, employees will not be paid for accumulated sick leave upon retirement or separation from employment.

Employees of the Office of Community Services earn from 12 to 18 days of vacation leave each year, depending on length of service. Employees may accumulate and carry forward a maximum of 37.5 days (300 hours). Upon retirement or termination of employment, employees are paid for accumulated and unused vacation leave at their then current rate of pay. Employees also earn sick leave of 12 to 18 days per year, depending on length of service. Employees can accumulate and carry forward a maximum of 30 days (240 hours). Employees are not paid for accumulated sick leave upon retirement or termination of employment.

Employees of the Claiborne Parish Library earn from 14 to 28 days of vacation leave each year, depending upon length of service with the library. Vacation leave does not accumulate. Employees earn 13 days of sick leave each year, which may be accumulated and carried forward without limitation. Employees are not compensated for accumulated sick leave upon termination of employment. However, upon retirement any accumulated sick leave may be credited toward service time for determining retirement benefits.

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

**Long-term obligations**

In the government-wide financial statements, long-term obligations, such as compensated absences and capital leases, are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental fund types recognize long-term obligations only to the extent that they will be paid with current resources.

**Extraordinary and special items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the police jury, which are either unusual in nature or infrequent in occurrence.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Estimates**

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

**NOTE 2 - BUDGET VARIANCES**

The following presents a summary of major funds' budget variances for the year ended December 31, 2012:

Fund	Revenues and Other Sources			Expenditures and Other Uses		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 2,395,300	\$ 2,315,287	\$ (80,013)	\$ 2,130,690	\$ 1,984,093	\$ 146,597
Parish Road	2,065,400	2,056,470	(8,930)	2,000,200	2,029,542	(29,342)
Library	794,400	818,689	24,289	806,300	762,371	43,929
Sales Tax	1,175,900	1,135,708	(40,192)	977,300	958,213	19,087
Total	<u>\$ 6,431,000</u>	<u>\$ 6,326,154</u>	<u>\$ (104,846)</u>	<u>\$ 5,914,490</u>	<u>\$ 5,734,219</u>	<u>\$ 180,271</u>

Intergovernmental revenues and public safety expenditures include \$108,466 in homeland security grant revenues and expenditures that are presented in the Office of Homeland Security and Emergency Preparedness Special Revenue Fund in the upper level fund financial statements.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

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

At December 31, 2012, the police jury has cash and cash equivalents (book balances) totaling, as follows:

Demand deposits	\$ 6,218,062
Time deposits	2,537,033
Petty cash	50
Total	<u>\$ 8,755,145</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)**

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2012, \$7,202,065 of the police jury's bank balances of \$8,789,611 was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 1,587,546
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	7,202,065
Total balances exposed to custodial credit risk	7,202,065
<b>Total bank balances</b>	<b>\$ 8,789,611</b>

**NOTE 4 - INVESTMENTS**

Investments held at December 31, 2012, consist of \$28,066 in the Louisiana Asset Management Pool (LAMP), a local government 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 LSA-R.S. 33:2955.

Effective August 1, 2001, LAMP'S investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(l)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP'S Investment Guidelines were amended to allow the limited investment in A-1 or A-1 + commercial paper.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools: (1) credit risk: LAMP is rated AAAM by Standard & Poor's; (2) 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; (3) concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement; (4) interest rate risk: GASB No. 40 excludes 2a7-like investment pools from this disclosure requirement; and, (5) foreign currency risk: Not applicable to 2a7-like pools.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

**NOTE 4 – INVESTMENTS (CONTINUED)**

The dollar-weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. 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 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.

**NOTE 5 - RECEIVABLES**

The receivables of \$2,878,261 at December 31, 2012, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 467,314	\$ 26,000	\$ 122,746	\$ -	\$ 2,988	\$ 619,048
Parish Road	881,351	-	47,665	-	2,840	931,856
Library Maintenance	652,716	-	11,835	-	780	665,331
Sales Tax	81,394	-	-	-	-	81,394
Criminal Court	-	-	-	13,669	-	13,669
Other governmental	542,086	11,243	17,557	1,600	931	573,417
Total	<u>\$ 2,624,861</u>	<u>\$ 37,243</u>	<u>\$ 199,803</u>	<u>\$ 15,269</u>	<u>\$ 7,539</u>	<u>\$ 2,884,715</u>

**NOTE 6 - INTERFUND TRANSFERS AND BALANCES**

The following details interfund transfers for the year ended December 31, 2012:

	Transfers out		
	General	Sales Tax	Total
Transfers in   Parish Road	\$ 400,000	\$ 250,000	\$ 650,000
Witness Fund	24,651	-	24,651
Total	<u>\$ 424,651</u>	<u>\$ 250,000</u>	<u>\$ 674,651</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 6 - INTERFUND TRANSFERS AND BALANCES (Continued)**

The Road Fund and Office of Homeland Security and Emergency Preparedness Fund (OHSEP) receive annual appropriations from the General Fund. The Sales Tax Fund transfers a portion of the sales tax revenue to the Road Fund annually as provided by the sales tax resolution.

The following details interfund balances as of December 31, 2012:

		Due to				Total
		General	Parish Road	Library	Nonmajor Funds	
Due from	General	\$ -	\$ 538	\$ 456	\$ 100	\$ 1,094
	Sales Tax	8,260	-	-	-	8,260
	Total	<u>\$ 8,260</u>	<u>\$ 538</u>	<u>\$ 456</u>	<u>\$ 100</u>	<u>\$ 9,354</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

**NOTE 7 - CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2012, is as follows:

	<b>Beginning Balance</b>	<b>Adjustments</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Capital assets not being depreciated:</b>					
Land:					
Police Jury	\$ 49,900	\$ -	\$ -	\$ -	\$ 49,900
Office of Community Services	30,000	-	-	-	30,000
Adjudicated property	15,360	-	-	-	15,360
Construction in progress	-	-	235,496	-	235,496
Total capital assets not being depreciated	<u>95,260</u>	<u>-</u>	<u>235,496</u>	<u>-</u>	<u>330,756</u>
<b>Capital assets being depreciated:</b>					
Infrastructure:					
Roads	15,517,189	-	-	-	15,517,189
Bridges	1,912,668	-	-	-	1,912,668
Land improvements	15,995	-	-	-	15,995
Buildings and improvements	2,408,026	-	141,597	-	2,549,623
Public works heavy equipment	2,781,465	(260,544)	241,912	(56,950)	2,705,883
Public works other equipment	82,575	-	-	-	82,575
Vehicles	215,372	(13,773)	-	-	201,599
Office furniture and equipment	249,691	-	-	-	249,691
Office of Emergency Preparedness and Homeland Security:					
Vehicles	45,517	-	-	-	45,517
Office furniture and equipment	50,506	-	-	-	50,506
Buildings and improvements	13,205	-	-	-	13,205
Office of Community Services:					
Land improvements	7,800	-	-	-	7,800
Buildings and improvements	62,156	-	-	-	62,156
Vehicles	430,873	-	-	-	430,873
Office furniture and equipment	116,327	-	-	-	116,327
Library:					
Building and improvements	797,365	-	-	-	797,365
Vehicle	49,901	-	-	-	49,901
Furniture and equipment	96,907	-	1,650	(6,811)	91,746
Books and videos	761,910	-	27,051	(17,794)	771,167
Total capital assets being depreciated	<u>25,615,448</u>	<u>(274,317)</u>	<u>412,210</u>	<u>(81,555)</u>	<u>25,671,786</u>
<b>Less accumulated depreciation for:</b>					
Infrastructure:					
Roads	14,301,499	-	37,256	-	14,338,755
Bridges	1,129,069	-	42,692	-	1,171,761
Land improvements	12,463	-	800	-	13,263
Buildings and improvements	1,568,845	-	55,782	-	1,624,627
Public works heavy equipment	1,790,985	(260,776)	173,872	(56,950)	1,647,131
Public works other equipment	50,686	-	4,345	-	55,031
Vehicles	74,404	(14,349)	24,383	-	84,438
Office furniture and equipment	37,092	-	23,913	-	61,005
Office of Emergency Preparedness and Homeland Security:					
Vehicles	32,034	-	9,103	-	41,137
Office furniture and equipment	25,777	-	9,768	-	35,545
Buildings and improvements	1,705	-	660	-	2,365
Office of Community Services:					
Land improvements	7,475	-	780	-	8,255
Buildings and improvements	40,575	-	2,072	-	42,647
Vehicles	325,171	-	55,967	-	381,138
Office furniture and equipment	101,981	-	5,155	-	107,136
Library:					
Building and improvements	417,998	-	21,587	-	439,585
Vehicle	49,901	-	-	-	49,901
Furniture and equipment	72,693	-	7,497	(6,811)	73,379
Books and videos	676,350	-	76,104	(17,794)	734,660
Total accumulated depreciation	<u>20,716,703</u>	<u>(275,125)</u>	<u>551,736</u>	<u>(81,555)</u>	<u>20,911,759</u>
<b>Total capital assets being depreciated, net</b>	<u>4,898,745</u>	<u>808</u>	<u>(139,526)</u>	<u>-</u>	<u>4,760,027</u>
<b>Total capital assets, net</b>	<u>\$ 4,994,005</u>	<u>\$ 808</u>	<u>\$ 95,970</u>	<u>\$ -</u>	<u>\$ 5,090,783</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 7 - CAPITAL ASSETS (Continued)**

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

General government	\$ 53,091
Public safety	44,990
Public works	283,468
Health and welfare	64,999
Culture and recreation	105,188
Total	<u>\$ 551,736</u>

**NOTE 8 - LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended December 31, 2012:

	<b>Limited Tax Bonds</b>	<b>Compensated Absences</b>	<b>Total</b>
Balance, beginning of year	\$ -	\$ 52,163	\$ 52,163
Additions	2,000,000	37,174	2,037,174
Deductions	-	(48,256)	(48,256)
Adjustment	-	1,536	1,536
Balance, end of year	<u>\$ 2,000,000</u>	<u>\$ 42,617</u>	<u>\$ 2,042,617</u>

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

On August 1, 2012, the Library issued \$2,000,000 Limited Tax Bonds for the remodeling and expansion of the Homer branch of the library. Principal is due in annual installments of \$145,000 to \$190,000 plus interest from 1.1% to 3.35% payable semiannually. The bonds mature March 1, 2024.

The annual requirements to amortize bonds payable at December 31, 2012, are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	\$ 145,000	\$ 43,230	\$ 188,230
2014	155,000	41,425	196,425
2015	155,000	39,294	194,294
2016	155,000	36,969	191,969
2017	160,000	34,368	194,368
2018-2022	855,000	117,590	972,590
2023-2024	375,000	12,416	387,416
Total	<u>\$ 2,000,000</u>	<u>\$ 325,292</u>	<u>\$ 2,325,292</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 9 - RETIREMENT SYSTEM**

Substantially all employees of the Claiborne Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final average salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the Claiborne Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 15.75 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 Claiborne Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Claiborne Parish Police Jury's contributions to the System under Plan A for the years ended December 31, 2012, 2011, and 2010, were \$151,341, \$152,411, and \$138,434, respectively, substantially equal to the required contributions for each year.

**NOTE 10 - POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Claiborne Parish Police Jury does not provide continuing health care or life insurance benefits for its retired employees.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 11 - RISK MANAGEMENT**

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

**NOTE 12 - LITIGATION**

At December 31, 2012, the police jury was not involved in any lawsuits.

**NOTE 13 - COOPERATIVE ENDEAVOR**

On October 5, 1995, the police jury entered into an agreement with the Louisiana Department of Public Safety and Corrections and the David Wade Correctional Center to provide a parish road site to store police jury equipment and to assist the department and the correctional center in maintaining their existing roads. The police jury agreed to erect an equipment yard for the storage of equipment and materials and to assist in the maintenance and construction of roads at the center when funds are available. The department and the center agreed to allow the police jury to maintain the parish road site on property owned by the center and to allow the police jury to place movable buildings at the site.

**NOTE 14 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 28, 2013, the date on which the financial statements were available to be issued.

**Required Supplemental Information (Part II)**

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 496,800	\$ 506,700	\$ 530,699	\$ 23,999
Other taxes, penalties and interest	14,000	10,000	9,920	(80)
Licenses and permits	72,300	71,500	73,375	1,875
Intergovernmental	1,703,000	1,765,300	1,653,249	(112,051)
Use of money and property	43,750	36,400	42,421	6,021
Other revenues	3,600	5,400	5,623	223
<b>Total revenues</b>	<b>2,333,450</b>	<b>2,395,300</b>	<b>2,315,287</b>	<b>(80,013)</b>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	108,150	106,300	105,154	1,146
Judicial	247,040	269,740	194,262	75,478
Elections	35,100	27,450	26,730	720
Finance and administrative	285,500	267,400	266,908	492
Other general government	338,200	252,900	222,474	30,426
Public safety	514,300	378,700	266,898	111,802
Public works	95,900	30,900	30,884	16
Health and welfare	103,700	308,900	307,803	1,097
Economic development and assistance	53,140	58,500	52,591	5,909
Conservation	4,200	5,200	5,200	-
Capital outlay	-	-	80,538	(80,538)
<b>Total expenditures</b>	<b>1,785,230</b>	<b>1,705,990</b>	<b>1,559,442</b>	<b>146,548</b>
Excess of revenues over expenditures	548,220	689,310	755,845	66,535
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(424,900)	(424,700)	(424,651)	49
<b>Net change in fund balance</b>	<b>123,320</b>	<b>264,610</b>	<b>331,194</b>	<b>66,584</b>
Fund balance at beginning of year	2,734,403	2,819,366	2,819,366	-
<b>Fund balance at end of year</b>	<b>\$ 2,857,723</b>	<b>\$ 3,083,976</b>	<b>\$ 3,150,560</b>	<b>\$ 66,584</b>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - PARISH ROAD SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,004,700	\$ 1,030,000	\$ 1,003,422	\$ (26,578)
Licenses and permits	1,500	23,200	24,175	975
Intergovernmental	323,100	299,000	312,530	13,530
Use of money and property	71,000	53,200	56,159	2,959
Other revenues	2,000	10,000	10,184	184
Total revenues	<u>1,402,300</u>	<u>1,415,400</u>	<u>1,406,470</u>	<u>(8,930)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	<u>2,043,700</u>	<u>2,000,200</u>	<u>2,029,542</u>	<u>(29,342)</u>
Excess (deficiency) of revenues over expenditures	<u>(641,400)</u>	<u>(584,800)</u>	<u>(623,072)</u>	<u>(38,272)</u>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>700,000</u>	<u>650,000</u>	<u>650,000</u>	<u>-</u>
Total other financing sources	<u>700,000</u>	<u>650,000</u>	<u>650,000</u>	<u>-</u>
<b>Net change in fund balance</b>	58,600	65,200	26,928	(38,272)
Fund balance at beginning of year	<u>975,807</u>	<u>962,548</u>	<u>962,548</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 1,034,407</u>	<u>\$ 1,027,748</u>	<u>\$ 989,476</u>	<u>\$ (38,272)</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - LIBRARY MAINTENANCE SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 725,000	\$ 725,000	\$ 743,860	\$ 18,860
Intergovernmental	30,000	28,500	28,564	64
Fees, charges, and commissions	9,500	11,600	10,673	(927)
Fines and forfeitures	-	-	5,911	5,911
Use of money and property	16,000	15,300	25,961	10,661
Contributions from private sources	-	1,000	1,000	-
Total revenues	<u>780,500</u>	<u>781,400</u>	<u>815,969</u>	<u>34,569</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	497,700	445,400	467,156	(21,756)
Debt service	-	31,100	31,018	82
Capital outlay	<u>282,800</u>	<u>329,800</u>	<u>264,197</u>	<u>65,603</u>
Total expenditures	<u>780,500</u>	<u>806,300</u>	<u>762,371</u>	<u>43,929</u>
Excess of revenues over expenditures	<u>-</u>	<u>(24,900)</u>	<u>53,598</u>	<u>(78,498)</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from issuance of bonds	-	-	2,000,000	(2,000,000)
Proceeds from insurance	-	13,000	2,720	10,280
Total other financing uses	<u>-</u>	<u>13,000</u>	<u>2,002,720</u>	<u>(1,989,720)</u>
<b>Net change in fund balance</b>	-	(11,900)	2,056,318	2,068,218
Fund balance at beginning of year	<u>694,037</u>	<u>694,037</u>	<u>2,180,507</u>	<u>1,486,470</u>
<b>Fund balance at end of year</b>	<u>\$ 694,037</u>	<u>\$ 682,137</u>	<u>\$ 4,236,825</u>	<u>\$ 3,554,688</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SALES TAX SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes:				
Sales and use taxes	\$ 728,500	\$ 1,166,000	\$ 1,117,311	\$ (48,689)
Use of money and property	16,100	9,900	18,397	8,497
Total revenues	<u>744,600</u>	<u>1,175,900</u>	<u>1,135,708</u>	<u>(40,192)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	<u>708,500</u>	<u>727,300</u>	<u>708,213</u>	<u>19,087</u>
Total expenditures	<u>708,500</u>	<u>727,300</u>	<u>708,213</u>	<u>19,087</u>
Excess of revenues over expenditures	<u>36,100</u>	<u>448,600</u>	<u>427,495</u>	<u>(21,105)</u>
<b>OTHER FINANCING USES</b>				
Operating transfers out	<u>(200,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total other financing uses	<u>(200,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	(163,900)	198,600	177,495	(21,105)
Fund balance at beginning of year	<u>1,245,083</u>	<u>1,245,208</u>	<u>1,245,208</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 1,081,183</u>	<u>\$ 1,443,808</u>	<u>\$ 1,422,703</u>	<u>\$ (21,105)</u>

## **Other Supplemental Schedules**

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS –  
COMBINING SCHEDULES – FUND DESCRIPTIONS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**Building Maintenance Fund**

The Building Maintenance Fund is funded by an ad valorem tax and state revenue sharing funds and is used to maintain and repair parish-owned buildings, such as the courthouse, jail, police jury office, clerk of court's office, office of community services, and the parish health unit.

**Equipment Fund**

The purpose of the Equipment Fund is to purchase new equipment to maintain and construct parish roads. It is funded by ad valorem taxes and interest earned on investments.

**Juvenile Maintenance Fund**

The Juvenile Maintenance Fund accounts for court costs of ten dollars per case, assessed by the district court in criminal cases. The funds are used for the housing of juvenile offenders.

**Office of Homeland Security and Emergency Preparedness**

The Office of Homeland Security and Emergency Preparedness accounts for grants from the federal, state and local governments and operating transfers from the police jury's General Fund. Funding is used to assess the parish's emergency response and security needs and then implement programs and acquire equipment to address those needs.

**Witness Fee Fund**

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

**Office of Community Services**

The Office of Community Services was created by the police jury on June 5, 1986. The office is responsible for providing aid and assistance to residents of the parish, primarily the poor, needy, elderly, and unemployed. Funding for the various programs is provided by grants from federal and state agencies, the police jury's General Fund, and donations from the public. The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. Supplementary schedules report the transactions of the various programs administered by the Office of Community Services.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET  
AS OF DECEMBER 31, 2012**

	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	OFFICE OF COMMUNITY SERVICES	TOTAL
<b>ASSETS</b>							
Cash and cash equivalents	\$ 84,280	\$ 190,763	\$ 120,401	\$ 252,210	\$ 834	\$ 271,022	\$ 919,510
Investments	-	5,773	-	-	-	-	5,773
Receivables	299,495	260,150	1,600	-	931	11,241	573,417
<b>TOTAL ASSETS</b>	<u>\$ 383,775</u>	<u>\$ 456,686</u>	<u>\$ 122,001</u>	<u>\$ 252,210</u>	<u>\$ 1,765</u>	<u>\$ 282,263</u>	<u>\$ 1,498,700</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts, salaries and other payables	\$ 27,969	\$ 5,284	\$ 5,534	\$ -	\$ 2,150	\$ 11,604	\$ 52,541
Due to other funds	-	-	-	-	100	-	100
Deferred revenue	15,314	13,299	-	-	-	-	28,613
Total liabilities	43,283	18,583	5,534	-	2,250	11,604	81,254
Restricted fund balances	340,492	438,103	116,467	252,210	(485)	270,659	1,417,446
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 383,775</u>	<u>\$ 456,686</u>	<u>\$ 122,001</u>	<u>\$ 252,210</u>	<u>\$ 1,765</u>	<u>\$ 282,263</u>	<u>\$ 1,498,700</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>BUILDING MAINTENANCE</b>	<b>EQUIPMENT</b>	<b>JUVENILE MAINTENANCE</b>	<b>OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS</b>	<b>WITNESS FEE</b>	<b>OFFICE OF COMMUNITY SERVICES</b>	<b>TOTAL</b>
<b>REVENUES</b>							
Ad valorem taxes	\$ 330,596	\$ 287,176	\$ -	\$ -	\$ -	\$ -	\$ 617,772
Intergovernmental revenues:							
Federal funds	-	-	-	108,466	-	442,163	550,629
State funds:							
State funds - state revenue sharing	14,037	12,194	-	-	-	-	26,231
Local funds	-	-	-	6,300	-	-	6,300
Fees, charges, and commissions	-	-	-	-	12,235	30,113	42,348
Fines and forfeitures	-	-	20,820	-	-	-	20,820
Use of money and property	1,920	1,979	1,010	3,284	-	3,033	11,226
Other revenues	-	-	-	544	-	3,325	3,869
Total revenues	<u>346,553</u>	<u>301,349</u>	<u>21,830</u>	<u>118,594</u>	<u>12,235</u>	<u>478,634</u>	<u>1,279,195</u>
<b>EXPENDITURES</b>							
Current:							
General government:							
Judicial	224	-	22,379	-	11,750	-	34,353
Other general government	245,830	-	-	-	-	-	245,830
Public safety	-	-	-	139,316	-	-	139,316
Public works	-	42,784	-	-	-	-	42,784
Health and welfare	-	-	-	-	-	509,602	509,602
Capital outlay	61,059	241,912	-	-	-	-	302,971
Total expenditures	<u>307,113</u>	<u>284,696</u>	<u>22,379</u>	<u>139,316</u>	<u>11,750</u>	<u>509,602</u>	<u>1,274,856</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>39,440</u>	<u>16,653</u>	<u>(549)</u>	<u>(20,722)</u>	<u>485</u>	<u>(30,968)</u>	<u>4,339</u>
<b>OTHER FINANCING SOURCES</b>							
Operating transfers in	-	-	-	24,651	-	-	24,651
Sale of capital assets	-	8,800	-	-	-	-	8,800
Total other financing sources	<u>-</u>	<u>8,800</u>	<u>-</u>	<u>24,651</u>	<u>-</u>	<u>-</u>	<u>33,451</u>
<b>Net change in fund balances</b>	39,440	25,453	(549)	3,929	485	(30,968)	37,790
Fund balances at beginning of year	301,052	412,650	117,016	248,281	(970)	301,627	1,379,656
<b>Fund balances at end of year</b>	<u>\$ 340,492</u>	<u>\$ 438,103</u>	<u>\$ 116,467</u>	<u>\$ 252,210</u>	<u>\$ (485)</u>	<u>\$ 270,659</u>	<u>\$ 1,417,446</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**COMBINING SCHEDULES – OFFICE OF COMMUNITY SERVICES –  
PROGRAM DESCRIPTIONS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. The following schedules report the transactions of the various programs administered by the Office of Community Services. A description of the various programs is as follows:

**Regular**

The Regular program accounts for the general operations of the Office of Community Services. The program also accounts for Workforce Investment Act funds provided by the United States Department of Labor passed through the Louisiana Department of Labor and the Seventh Planning District Service Delivery Area. Additional funding is provided by local grants, interest earned on deposits, operating transfers from other programs and other miscellaneous local revenue sources.

**Community Services Block Grant Fund**

The Community Services Block Grant Fund (CSBG) accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Labor and are allocated to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community.

**Energy Fund**

The Energy Fund accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services and are allocated to assist low-income households with energy related utility fees.

**Federal Emergency Management Act Fund**

The Federal Emergency Management Act (FEMA) Fund accounts for funds provided by the Federal Emergency Management Agency. The purpose of the program is to supplement and expand ongoing efforts to provide shelter, food, and supportive services for needy families and individuals.

**Transportation Fund**

The Transportation Fund accounts for Section 18 funds which are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development and are used to provide financial assistance for public transportation in non-urbanized areas. The fund also accounts for Medical Assistance Program-Title XIX funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services which are used to provide transportation to medical facilities for low-income and elderly persons.

**Fares Fund**

The Fares Fund accounts for fees received in the transportation program. Revenues of the fund are used to provide the local matching share for purchases of transportation vehicles. The Federal share is normally provided by the Section 18 program.

**Recreation Fund**

The Recreation Fund accounts for vending machine revenue. The fund was previously used to offset expense of a community food program.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -  
COMBINING BALANCE SHEET  
AS OF DECEMBER 31, 2012**

<b>ASSETS</b>	<b>REGULAR</b>	<b>CSBG</b>	<b>ENERGY</b>	<b>TRANS- PORTATION</b>	<b>FARES</b>	<b>TOTAL</b>
Cash and equivalents	\$ 141,956	\$ -	\$ 47,950	\$ 47,714	\$ 33,402	\$ 271,022
Receivables	-	6,452	-	4,789	-	11,241
Due from other funds	107,224	-	-	-	71,276	178,500
<b>TOTAL ASSETS</b>	<u>\$ 249,180</u>	<u>\$ 6,452</u>	<u>\$ 47,950</u>	<u>\$ 52,503</u>	<u>\$ 104,678</u>	<u>\$ 460,763</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts, salaries, and other payables	\$ 11,604	\$ -	\$ -	\$ -	\$ -	\$ 11,604
Due to other funds	28,651	6,452	21,947	121,450	-	178,500
Total liabilities	<u>40,255</u>	<u>6,452</u>	<u>21,947</u>	<u>121,450</u>	<u>-</u>	<u>190,104</u>
Fund balances - restricted	208,925	-	26,003	(68,947)	104,678	270,659
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 249,180</u>	<u>\$ 6,452</u>	<u>\$ 47,950</u>	<u>\$ 52,503</u>	<u>\$ 104,678</u>	<u>\$ 460,763</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	REGULAR	CSBG	ENERGY	FEMA	TRANS- PORTATION	FARES	RECREATION	TOTAL
Revenues:								
Intergovernmental revenues:								
Federal funds	\$ -	\$ 69,755	\$ 182,275	\$ -	\$ 190,133	\$ -	\$ -	\$ 442,163
Fees, charges, and commissions	19,513	-	-	-	2,330	8,270	-	30,113
Use of money and property	2,987	-	-	-	29	17	-	3,033
Other revenues	1,288	-	752	-	860	-	425	3,325
Total revenues	<u>23,788</u>	<u>69,755</u>	<u>183,027</u>	<u>-</u>	<u>193,352</u>	<u>8,287</u>	<u>425</u>	<u>478,634</u>
Expenditures:								
Current - health and welfare:								
Personal services	14,808	55,173	-	-	168,591	-	-	238,572
Operating services	6,484	12,761	181,037	867	27,822	24	-	228,995
Materials and supplies	3,571	510	1,287	2,325	25,455	-	-	33,148
Travel and other charges	307	1,311	4,280	29	2,960	-	-	8,887
Total expenditures	<u>25,170</u>	<u>69,755</u>	<u>186,604</u>	<u>3,221</u>	<u>224,828</u>	<u>24</u>	<u>-</u>	<u>509,602</u>
<b>Net change in fund balances</b>	(1,382)	-	(3,577)	(3,221)	(31,476)	8,263	425	(30,968)
Fund balances (deficits) at beginning of year	210,307	-	29,580	3,221	(37,471)	96,415	(425)	301,627
<b>Fund balances (deficits) at end of year</b>	<u>\$ 208,925</u>	<u>\$ -</u>	<u>\$ 26,003</u>	<u>\$ -</u>	<u>\$ (68,947)</u>	<u>\$ 104,678</u>	<u>\$ -</u>	<u>\$ 270,659</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID POLICE JURORS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

	<u>District</u>	<u>Compensation</u>
D'arcy Stevens	One	\$ 7,200
Mark Furlow	Two	7,200
Robert McDaniel	Three	7,200
Joe Sturges	Four	7,200
W. Lavelle Penix	Five	7,200
Scott Davidson, President	Six	8,400
Roy Lewis	Seven	7,200
Roy Mardis	Eight	7,200
Jerry Adkins	Nine	7,200
Willie Young, Sr.	Ten	7,200
Total		<u>\$ 73,200</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Passed through Office of the Governor, Division of Administration - Community Development Block Grant (States Program)	14.228	685226	\$ 218,433
Direct - Section 8 Housing Choice Vouchers	14.871	LA-246	238,072
Total United States Department of Housing and Urban Development			<u>456,505</u>
<b>UNITED STATES DEPARTMENT OF INTERIOR</b>			
Passed through the Louisiana Department of the Treasury - In Lieu of Taxes	15.000	N/A	<u>55,383</u>
<b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>			
Passed through Louisiana Department of Transportation and Development: Public Transportation for Non-Urbanized Areas	20.509	741-14-0113	<u>116,235</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Louisiana Department of Social Services - Office of Family Support - Project Independence	93.558	623145	24,802
Passed through Louisiana Housing Finance Agency - Low Income Home Energy Assistance Program	93.568	G0301LALIEA	182,275
Passed through Louisiana Department of Labor - Community Services Block Grant	93.569	2012P004	63,138
Community Services Block Grant	93.569	2011P004	6,617
Passed through Louisiana Department of Social Services - Title XIX	93.778	4501356	49,096
Total United States Department of Health and Human Services			<u>325,928</u>
<b>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</b>			
Passed through State of Louisiana - Governor's Office of Homeland Security and Emergency Preparedness - Emergency Management Performance Grant	97.067	EMW-2011-EP-00058	33,036
State Homeland Security Grant Program	97.067	2010-SS-T9-0043	75,430
Total United States Department of Homeland Security			<u>108,466</u>
Total Federal Expenditures			<u>\$ 1,062,517</u>

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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**General**

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

**Basis of Accounting**

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

## **Other Reports**



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

To the Honorable Members of the  
Claiborne Parish Police Jury  
Homer, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Claiborne Parish Police Jury's basic financial statements, and have issued our report thereon dated June 28, 2013.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Claiborne Parish Police Jury's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Claiborne Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of Claiborne Parish 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. 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Claiborne Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Claiborne Parish Police Jury  
Homer, Louisiana  
Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance, etc.  
December 31, 2011

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

*Bosch & Statham*

Jonesboro, Louisiana  
June 28, 2013



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

To the Honorable Members of the  
Claiborne Parish Police Jury  
Homer, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited Claiborne 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 Claiborne Parish Police Jury's major federal programs for the year ended December 31, 2012. Claiborne Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, Claiborne Parish Police Jury, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Claiborne Parish Police Jury  
Homer, Louisiana  
Independent Auditors' Report on Compliance  
in Accordance with OMB Circular A-133  
December 31, 2012

**Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

BOSCH & STATHAM, LLC



Jonesboro, Louisiana  
June 28, 2013

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**A. SUMMARY OF AUDIT RESULTS**

1. The Police Jury issues primary government financial statements. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses an adverse opinion on the aggregate remaining fund information and the aggregate discretely presented component units. The component units issue separate audited financial statements.
2. No significant deficiencies are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Claiborne Parish Police Jury were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the Claiborne Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following program was tested as a major program:
  - a. United States Department of Housing and Urban Development – Community Development Block Grant Program (CFDA 14.228)
  - b. United States Department of Homeland Security – Passed through Governor's Office of Homeland Security – Homeland Security Program (CFDA 97.067)
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The Claiborne Parish Police Jury was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No reportable findings resulted from the audit of the financial statements.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

No reportable findings resulted from the audit of major federal award programs.

**CLAIBORNE PARISH POLICE JURY  
HOMER, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

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**I. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No findings were reported.

**II. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

No findings were reported.