

CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA

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

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate at the office of the parish clerk of court.

Release Date **AUG 28 2013**



**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Catahoula Parish Police Jury
Harrisonburg, Louisiana
Management's Discussion and Analysis
December 31, 2012 (Unaudited)

Our discussion and analysis of Catahoula Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2012

Financial Highlights. Our financial statements provide these insights into the results of this year's operations

Total spending for all our governmental activities was \$4,357,656 for the year. The Police Jury's property and sales taxes of \$2,481,443 were \$195,217 short of being enough to support the net cost (after deducting restricted grants and fees charged to users) of activities of \$2,676,660. See detailed information in Table 2 below.

Governmental activities reported an increase in net position of \$279,926 or three percent. The police jury has strived to maximize revenues and decrease expenses as much as possible to improve its financial condition.

The Police Jury has multiple component units of which only some are included in the Police Jury's audit report. The Fire District No. 1 is included in the report as a discretely presented component unit. The Fire District No. 1 did not issue a separate report.

Using this Annual Report. The Police Jury's annual report consists of a series of financial statements that show information for the Police Jury as a whole, and for its funds. The statement of net position and the statement of activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds: the General Fund, Road and Bridge, Hard Surfacing, Sanitation, Library, and Health Unit.

Our auditors have provided assurance in their independent auditor's report, located immediately following this management's discussion and analysis, that the basic financial statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the required supplemental information and the supplemental information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report.

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

Management's Discussion and Analysis
December 31, 2012 (Unaudited)

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

The statement of net position and statement of activities report the governmental activities of the Police Jury, which include most of the Police Jury's services, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

The Governmental Fund Financial Statements. The Police Jury's fund financial statements, which begin on page 11, provide detailed information about the most significant funds—not the Police Jury as a whole. Some funds are required to be established by state law or by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental Funds. Most of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of the Police Jury's operations and the services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the differences between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in the reconciliations on pages 16 and 18.

The Police Jury as a Whole. The Police Jury's net position was \$8,289,746 at December 31, 2012. Of this amount, \$2,357,259 was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use those net position for day-to-day operations. Our analysis below focuses on the net position (table 1) and change in net position (table 2) of the Police Jury's governmental activities.

Management's Discussion and Analysis
 December 31, 2012 (Unaudited)

Table 1
Net Position
Governmental Activities

	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 2,714,250	\$ 2,524,331
Capital assets (net)	<u>5,932,487</u>	<u>6,093,494</u>
Total assets	<u>8,646,737</u>	<u>8,617,825</u>
Current and other liabilities	140,961	310,569
Long-term liabilities	<u>216,030</u>	<u>297,436</u>
Total liabilities	<u>356,991</u>	<u>608,005</u>
Net assets		
Invested in capital assets, net of debt	5,932,487	6,093,494
Unrestricted	<u>2,357,259</u>	<u>1,916,326</u>
Total net assets	<u>\$ 8,289,746</u>	<u>\$ 8,009,820</u>

The \$2,357,259 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today, including all of our noncapital liabilities (compensated absences for example), we would have \$2,357,259 left.

The results of this year's operations for the primary government as a whole are reported in the statement of activities. Table 2, on the next page, takes the information from that statement and rearranges it slightly so you can see our total revenues for the year.

Table 2
Changes in Net Position
Governmental Activities

	<u>2012</u>	<u>2011</u>
Revenues		
Program revenues:		
Charges for services	\$ 192,702	\$ 75,904
Operating grants and contributions	767,552	792,255
Capital grants and contributions	720,742	1,591,449
General revenues		
Property taxes	834,221	815,333
Sales taxes	1,647,222	1,469,621
Unrestricted grants and contributions	372,519	419,310
Other general revenues	102,624	811,463
Total revenues	<u>4,637,582</u>	<u>5,975,335</u>
Program expenses		
General government	1,039,759	1,044,469
Public safety	325,571	466,626
Public works	2,371,189	2,040,766
Health and welfare	227,352	283,341
Culture and recreation	374,424	350,855
Economic development and assistance	5,591	3,147
Interest expense	13,770	18,750
Total expenses	<u>4,357,656</u>	<u>4,207,954</u>
Increase (decrease) in net position	<u>\$ 279,926</u>	<u>\$ 1,767,381</u>

Governmental Activities. As reported in the statement of activities, the cost of all of our governmental activities this year was \$4,357,656. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$2,481,443 because some of the cost was paid by those who benefited from the programs (\$192,702) or by other governments and organizations who subsidized certain programs with grants and contributions (\$767,552) and from capital grants and contributions (\$720,742).

In Table 3, we have presented the cost of each of the Police Jury's seven functions—general government, public safety, public works, health and welfare, culture and recreation, economic development and assistance, and interest expense—as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Management's Discussion and Analysis
December 31, 2012 (Unaudited)

Table 3
Governmental Activities

	Total Cost of Services	
	2012	2011
General government	\$ 1,039,759	\$ 1,044,469
Public safety	325,571	466,626
Public works	2,371,189	2,040,766
Health and welfare	227,352	283,341
Culture and recreation	374,424	350,855
Economic development and assistance	5,591	3,147
Interest expense	13,770	18,750
Totals	<u>\$ 4,357,656</u>	<u>\$ 4,207,954</u>

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

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$2,493,827 which is an increase of \$394,220 or 19% from last year.

The General Fund is our principal operating fund. The fund balance in the General fund increased \$124,274 or 16% to \$917,632. This increase is due to a combination of minor changes in revenues and expenditures.

The Road and Bridge Fund accounts for funds used to maintain the parish roads and bridges. This fund showed a decrease of \$31,164 or 13% to \$213,278. The decrease was due to many minor variances spread among the various revenue and expenditure accounts.

The Hard Surfacing Fund accounts for the repair of streets. This fund showed an increase of \$108,224 or 80% to \$244,225. The increase can primarily be attributed to an increase in sales taxes of \$96,872.

The Sanitation Fund accounts for parish garbage collection and disposal operations. This fund showed an increase of \$106,074 or 132% to \$186,738. The increase is due to an increase in sales tax revenues.

Management's Discussion and Analysis

December 31, 2012 (Unaudited)

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

There were significant revisions made to the 2012 General Fund original budget. The primary change was to revenues. Total budgeted revenues were increased \$392,840 primarily to include expected grant revenues. Budgeted expenses were increased a total of \$443,075 primarily to include grant expenditures.

As in the General Fund, major changes to the Road and Bridge Fund. Budgeted revenues and expenditures in the Road and Bridge Fund were increased \$61,100 and \$98,090, respectively. Budgeted revenues and expenditures in the Hard Surfacing Fund were increased \$136,280 and \$35,740, respectively. The increases were due to an increase in expected sales taxes which ultimately exceeded even budgeted amounts by \$24,484.

There were no significant budget to actual variances.

Capital Assets. At December 31, 2012, the Police Jury had \$5,932,487 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions, and depreciation) of \$161,007, or 3%, from last year.

Capital Assets

	<u>2012</u>	<u>2011</u>
Land	\$ 112,200	\$ 118,200
Infrastructure - roads and bridges	11,318,548	11,272,790
Buildings	2,983,414	2,983,414
Improvements	1,558,229	381,478
Equipment	1,464,919	1,517,215
Heavy machinery	892,178	906,242
Vehicles	441,923	466,340
Books and periodicals	669,345	649,299
Total capital assets, gross	<u>19,440,756</u>	<u>19,394,324</u>
Less accumulated depreciation	<u>(13,508,269)</u>	<u>(13,300,830)</u>
Total capital assets, net	<u>\$ 5,932,487</u>	<u>\$ 6,093,494</u>

For further information on capital assets, see Note 5 of the notes to the financial statements.

Management's Discussion and Analysis
December 31, 2012 (Unaudited)

Debt. At the end of this year, the Police Jury had \$187,000 in bonds outstanding versus \$272,000 last year, a decrease of 31%. Those bonds consisted of

Outstanding Debt

	<u>2012</u>	<u>2011</u>
Certificate of indebtedness series 2008	<u>\$ 187,000</u>	<u>\$ 272,000</u>

Other obligations include accrued vacation pay. We present more detailed information about our long-term liabilities in Note 6 of the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates. Our elected and appointed officials and citizens considered many factors when setting the Police Jury's 2013 budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. We have budgeted very little change in ad valorem and sales tax collections from 2012 to 2013. Approximately 60% of total revenue is from ad valorem and sales taxes. We have projected a slight increase in net position for the 2013 budget year.

Contacting the Police Jury's Financial Management. Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Patti Mizell, Secretary-Treasurer, at the Catahoula Parish Police Jury, P O Box 258, Harrisonburg, Louisiana 71340, telephone number (318) 744-5435.



Independent Auditor's Report

The President and Members of the
Catahoula Parish Police Jury
Harrisonburg, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit of Fire District No 1 Maintenance, each major fund, and the aggregate remaining fund information of Catahoula 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 Catahoula Parish Police Jury's primary government financial statements as listed in the table of contents

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Except for Fire District No 1 Maintenance, 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.

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 25, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Catahoula 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.

Catahoula Parish Police Jury
Harrisonburg, Louisiana
Independent Auditor's Report
December 31, 2012

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2013, on our consideration of the Catahoula Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC



Jonesboro, Louisiana
June 25, 2013

Basic Financial Statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	Governmental	Component Unit
	Activities	Fire District No. 1 Maintenance
ASSETS		
Cash and cash equivalents	\$ 1,727,818	\$ 137,974
Receivables	900,913	13,477
Other assets	85,519	-
Capital assets, net of accumulated depreciation	5,932,487	94,102
TOTAL ASSETS	\$ 8,646,737	\$ 245,553
LIABILITIES		
Accounts, salaries and other payables	\$ 126,184	\$ 503
Deferred revenues	14,777	-
Compensated absences	29,030	-
Certificates of indebtedness due within one year	91,000	-
Certificates of indebtedness due in more than one	96,000	-
TOTAL LIABILITIES	\$ 356,991	\$ 503
NET POSITION		
Invested in capital assets	\$ 5,932,487	\$ 94,102
Unrestricted	2,357,259	150,948
TOTAL NET POSITION	\$ 8,289,746	\$ 245,050

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 1,039,759	\$ 106,143	\$ 81,550	\$ 260,522	\$ (591,544)
Public safety	325,571	79,789	44,832	26,705	(174,245)
Public works	2,371,189	400	455,443	433,515	(1,481,831)
Health and welfare	227,352	-	149,351	-	(78,001)
Culture and recreation	374,424	6,370	36,376	-	(331,678)
Economic development and assistance	5,591	-	-	-	(5,591)
Interest expense	13,770	-	-	-	(13,770)
Total governmental activities	\$ 4,357,656	\$ 192,702	\$ 767,552	\$ 720,742	(2,676,660)
General revenues					
Property taxes					834,221
Sales and use taxes					1,647,222
Other taxes, penalties and interest					5,945
Grants and contributions not restricted to specific programs					372,519
Unrestricted investment earnings					5,013
Gain (loss) on sale of capital assets					60,863
Other					30,803
Total general revenues					2,956,586
Change in net position					279,926
Net position at beginning of year					8,009,820
Net position at end of year					\$ 8,289,746

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**COMPONENT UNIT - FIRE DISTRICT NO 1 MAINTENANCE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		CAPITAL GRANTS AND CONTRIBUTIONS
Public safety	\$ 8,926	\$ -	\$ 696	\$ -	(8,230)
General revenues					
Property taxes levied for general purposes					\$ 13,531
Unrestricted investment earnings					496
Other					3,034
Total general revenues					17,061
Change in net position					8,831
Net position at beginning of year					236,219
Net position at end of year					\$ 245,050

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

ASSETS	GENERAL	ROAD AND BRIDGE	HARD SURFACING	SANITATION	LIBRARY	HEALTH UNIT	OTHER GOVERN- MENTAL FUNDS	TOTAL GOVERN- MENTAL FUNDS
Cash and cash equivalents	\$ 532,419	\$ 183,141	\$ 167,603	\$ 186,236	\$ 275,682	\$ 291,175	\$ 91,562	\$ 1,727,818
Receivables	426,069	29,089	59,679	37,299	240,847	60,084	47,846	900,913
Other assets	35,053	17,313	26,332	-	-	2,934	3,887	85,519
Total assets	<u>\$ 993,541</u>	<u>\$ 229,543</u>	<u>\$ 253,614</u>	<u>\$ 223,535</u>	<u>\$ 516,529</u>	<u>\$ 354,193</u>	<u>\$ 143,295</u>	<u>\$ 2,714,250</u>
LIABILITIES AND FUND EQUITY								
Liabilities								
Accounts payable	\$ 36,260	\$ 14,919	\$ 8,730	\$ 36,797	\$ 15,469	\$ 4,942	\$ 5,810	\$ 122,927
Salaries and related payables	625	1,346	659	-	-	-	627	3,257
Deferred revenues	39,024	-	-	-	29,788	7,449	17,978	94,239
Total liabilities	<u>75,909</u>	<u>16,265</u>	<u>9,389</u>	<u>36,797</u>	<u>45,257</u>	<u>12,391</u>	<u>24,415</u>	<u>220,423</u>
Fund equity - fund balances								
Nonspendable	35,053	17,313	26,332	-	-	2,934	3,887	85,519
Restricted	-	195,965	217,893	186,738	471,272	338,868	114,993	1,525,729
Unassigned	882,579	-	-	-	-	-	-	882,579
Total fund equity - fund balances	<u>917,632</u>	<u>213,278</u>	<u>244,225</u>	<u>186,738</u>	<u>471,272</u>	<u>341,802</u>	<u>118,880</u>	<u>2,493,827</u>
Total liabilities and fund equity	<u>\$ 993,541</u>	<u>\$ 229,543</u>	<u>\$ 253,614</u>	<u>\$ 223,535</u>	<u>\$ 516,529</u>	<u>\$ 354,193</u>	<u>\$ 143,295</u>	<u>\$ 2,714,250</u>

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Total fund balances - governmental funds	\$ 2,493,827
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources	5,932,487
Revenues that do not provide current financial resources are deferred in the funds, but are recognized for government-wide reporting This is the amount by which the liability for deferred revenue on the governmental funds balance sheet is greater than on the statement of net position	79,462
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund statements	(216,030)
Net position of governmental activities	<u>\$ 8,289,746</u>

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	GENERAL	ROAD AND BRIDGE	HARD SURFACING	SANITATION	LIBRARY	HEALTH UNIT	OTHER GOVERN- MENTAL FUNDS	TOTAL GOVERN- MENTAL FUNDS
Revenues								
Taxes								
Ad valorem	\$ 411,767	\$ -	\$ -	\$ -	\$ 309,798	\$ 77,451	\$ 69,014	\$ 868,030
Sales and use	-	187,185	898,484	561,553	-	-	-	1,647,222
Other taxes, penalties, and interest	5,945	-	-	-	-	-	-	5,945
Licenses and permits	105,608	-	-	-	-	-	-	105,608
Intergovernmental funds								
Federal funds	736,951	61,411	-	-	-	-	144,520	942,882
State funds								
Severance taxes	372,519	-	-	-	-	-	-	372,519
State revenue sharing	26,007	-	-	-	19,324	4,831	2,240	52,402
Parish transportation	-	173,379	-	-	-	-	-	173,379
Fire insurance rebate	40,788	-	-	-	-	-	3,265	44,053
LGAP	55,115	23,367	30,203	-	-	-	-	108,685
Other state funds	144,322	8,349	-	-	15,106	-	-	167,777
Fees, charges and commissions for services	535	-	-	400	6,232	-	-	7,167
Fines and forfeitures	-	-	-	-	138	-	79,789	79,927
Use of money and property	1,248	405	439	359	1,606	775	181	5,013
Other revenues	22,098	410	2,858	-	1,280	239	-	26,885
Donations	1,860	-	-	-	2,058	-	-	3,918
Total revenues	1,924,763	454,506	931,984	562,312	355,542	83,296	299,009	4,611,412

Expenditures								
Current								
General government								
Legislative	87,728	-	-	-	-	-	-	87,728
Judicial	73,399	-	-	-	-	-	127,332	200,731
Elections	47,286	-	-	-	-	-	-	47,286
Finance and administrative	59,822	-	-	-	-	-	-	59,822
Other general government	428,681	-	-	-	-	-	250	428,931
Public safety	272,763	-	-	-	-	-	17,992	290,755
Public works	527,961	420,084	751,607	456,238	-	-	-	2,155,890
Health and welfare	1,480	-	-	-	-	53,148	143,287	197,915
Culture and recreation	-	-	-	-	291,388	-	31,499	322,887
Economic development and assistance	5,591	-	-	-	-	-	-	5,591
Debt service	-	-	-	-	-	-	98,770	98,770
Capital outlay	221,237	67,344	75,961	-	35,143	-	-	399,685
Total expenditures	1,725,948	487,428	827,568	456,238	326,531	53,148	419,130	4,295,991
Excess (deficiency) of revenues over expenditures	198,815	(32,922)	104,416	106,074	29,011	30,148	(120,121)	315,421
Other sources (uses)								
Operating transfers in	-	-	-	-	-	-	147,000	147,000
Proceeds from the sale of assets	-	1,758	3,808	-	774	-	-	6,340
Proceeds from insurance	72,459	-	-	-	-	-	-	72,459
Operating transfers out	(147,000)	-	-	-	-	-	-	(147,000)
Total other sources (uses)	(74,541)	1,758	3,808	-	774	-	147,000	78,799
Net change in fund balances	124,274	(31,164)	108,224	106,074	29,785	30,148	26,879	394,220
Fund balances at beginning of year	793,358	244,442	136,001	80,664	441,487	311,654	92,001	2,099,607
Fund balances at end of year	\$ 917,632	\$ 213,278	\$ 244,225	\$ 186,738	\$ 471,272	\$ 341,802	\$ 118,880	\$ 2,493,827

The accompanying notes are an integral part of these financial statements

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, 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**

Net change in fund balances - total governmental funds	\$ 394,220
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 (\$311,621) were below depreciation (\$408,242) in the current period.	(96,621)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.	(64,386)
Revenues that do not provide current financial resources are deferred in the funds, but are recognized on the statement of activities. This is the amount by which the current-year deferred revenue is greater than (less than) the prior-year deferred revenue as reported on the governmental fund balance sheets.	(34,693)
Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position.	85,000
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.	(3,594)
	<hr/>
Change in net position of governmental activities	<u>\$ 279,926</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Introduction

Catahoula 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 nine 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.

Catahoula Parish, established in 1808, is located in the east central part of the state and occupies 704 square miles with a population of 10,407 residents, based on the 2010 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, to construct and maintain roads and bridges, drainage systems, sewerage systems, water works systems, parish prisons, health units, and hospitals, to manage solid waste disposal, to provide for fire protection, recreation, and parks, road lighting and marking, and the health and welfare of the poor, disadvantaged, and unemployed, to promote economic development and tourism, and to regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury employs approximately 27 employees (2 in the central office, 4 in the courthouse, 2 in the 911 office, 5 in the library, 1 at the health unit, 1 in emergency preparedness, and 12 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains approximately 350 miles of parish roads.

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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The accompanying financial statements and notes thereto are presented in accordance with Statement No. 34.

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 14, the reporting entity for Catahoula 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.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Introduction (continued)

GASB Statement No. 14 established criteria for determining which component units should be considered part of Catahoula 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. These criteria include:

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's 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 Catahoula Parish reporting entity:

Component Units	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Catahoula Parish Library	December 31	1 & 3
Catahoula Parish Health Unit	December 31	2 & 3
Seventh Judicial District Criminal Court (Catahoula Parish)	December 31	2 & 3
Larto-Mayna Recreation District	December 31	1 & 3
Matland Recreation District	December 31	1 & 3
Hospital District #1 Bond Sinking	December 31	1 & 3
Fire District #2 Maintenance	December 31	1 & 3
Fire District #1 Maintenance	December 31	1 & 3
Hospital District #1	December 31	2 & 3
Hospital District #2	December 31	2 & 3
Fire District #4	December 31	2 & 3
Fire District #5	December 31	1 & 3
Communications District (E-911)	December 31	1 & 3
Leland Fire District	December 31	1 & 3
Enterprise Recreation District	December 31	1 & 3
Matland Water District	December 31	1 & 3

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Introduction (continued)

Considered in the determination of component units of the reporting entity was the Catahoula Parish School Board, the Catahoula Parish Sheriff, the Catahoula Parish Tax Assessor, the Catahoula Clerk of Court, the District Attorney, and Judges for the Sixth Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of Catahoula Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of Catahoula 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) and Fire District No. 1 Maintenance only, therefore, none of the other previously listed component units, except as discussed in the following paragraph, are included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the Catahoula 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 Catahoula Parish Library, the Catahoula Parish Health Unit, the Seventh Judicial District Criminal Court, the Larto-Mayna Recreation District, the Hospital District No. 1 Bond Sinking Fund, and Fire District No. 2. The financial statements also include the Matland Recreation District.

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 activities) report information on all of the non-fiduciary 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 is 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.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

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, sales 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 Road and Bridge Fund accounts for the maintenance of the parish highways, roads, bridges, and drainage systems. Financing is provided primarily by the State of Louisiana Parish Transportation Fund, sales and use taxes, and transfers from the General Fund.

The Hard Surfacing Fund accounts for the construction and maintenance of hard surface roads in the parish. Financing is provided primarily by a one-cent sales and use tax.

The Sanitation Fund accounts for parish garbage collection and disposal operations. Financing is provided primarily by a one-cent sales and use tax.

The Library Fund accounts for the operation of the parish library. Revenue is provided primarily by ad valorem taxes, state revenue sharing, and other state grants.

The Health Unit Fund accounts for the operation and maintenance of the parish health unit. Financing is provided primarily by ad valorem taxes and state revenue sharing.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Restricted net position

For the government-wide statement of net position, net position is 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

Fund Balance Type Definitions

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Catahoula 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 Catahoula 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 Catahoula Parish Police Jury

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Type Definitions (Continued)

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

Deposits and investments

The police jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. 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.

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.

All property tax receivables are shown net of uncollectible accounts. 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 15th. 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	1.69	1.71	Indefinite
General	3.39	3.42	Indefinite
General	8.00	8.08	2013
Library	8.28	8.36	2019
Health Unit	2.07	2.09	2019
District taxes			
Larto-Mayna Recreation	5.20	5.23	2019
Matland Recreation	5.00	5.00	2014
Fire District No. 2	3.00	3.00	2016
Fire District No. 1	5.00	6.41	2017

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and payables (continued)

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

	2012 Assessed Valuation	Percent of Total Assessed Valuation
Red Mountain Timberco III, LLC	\$ 1,087	2.18%
Catahoula Correctional Center	765	1.53%
Bunge Corporation	712	1.43%
M J Farms, Ltd	769	1.54%
Agri-South Group, LLC	261	0.52%
Avahoula Resources, LLC	160	0.32%
Griffin Land & Timber, LLC	143	0.29%
Catahoula-LaSalle Bank	138	0.28%
C-C Planters, Inc	142	0.28%
Abdon Callas Offshore, LLC	93	0.19%
Total	<u>\$ 4,270</u>	<u>8.56%</u>

On November 2, 2004, voters of the parish renewed a one-percent sales tax that was dedicated to construct, acquire, extend, improve, maintain and/or operate garbage collection and disposal facilities and equipment. The tax was renewed for a ten-year period and expires on March 31, 2015. The proposition provides that the proceeds of the tax be allocated between the Police Jury and the incorporated municipalities of Catahoula Parish. The renewal proposition allocates seventy-five percent of the proceeds to the parish and the remaining twenty-five percent of the proceeds to the municipalities of Jonesville (16.5%), Sicily Island (5%), and Harrisonburg (3.5%).

On November 19, 1990, voters of the parish approved the renewal of the one-percent sales tax dedicated to hard-surfacing existing roads and maintaining hard-surfaced roads in the parish. The tax was for a period of twenty years and would have expired on January 31, 2011. However, the voters renewed the tax in 2010 to expire on January 31, 2021. The renewal proposition allocates ninety percent of the proceeds to the parish and the remaining ten percent of the proceeds to the municipalities of Jonesville (7%), Sicily Island (2%), and Harrisonburg (1%), for the purpose of hard-surfacing existing streets and roads within the respective municipalities.

The Police Jury entered into an agreement with the Concordia Parish School Board on March 5, 1985, whereby the school board tax department provides sales tax collection services for a fee of one and one-quarter per cent of amounts actually collected, plus the cost of travel, supplies, and postage. Taxes collected are deposited directly into the Police Jury's bank account in the month collected by the School Board.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 or estimated 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 \$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

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 roads and bridges	20 - 40 Years
Buildings and improvements	10 - 40 Years
Furniture and fixtures	5 - 10 Years
Vehicles	5 - 10 Years
Heavy equipment	5 - 10 Years
Other equipment	5 - 10 Years
Intangible assets - software	7 Years

Compensated absences

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

Employees of the Police Jury earn vacation leave at rates varying from five to twenty days per year, depending on length of service Employees may accumulate and carry forward no more than thirty days of vacation leave Upon separation or retirement, employees are paid for any unused vacation leave Jury employees earn twelve days of sick leave each year Sick leave can be accumulated up to sixty days Employees are not compensated for sick leave at termination or retirement

Full-time employees of the Library earn from seven to twenty-one days of vacation and sick leave each year, depending on their length of service and professional status A maximum of one fourth of the amount granted in vacation days and half of the amount granted in sick days can be accumulated and carried forward to succeeding years Upon separation or retirement, employees are paid for any accumulated vacation leave However, all accumulated sick leave is forfeited

Employees of the Criminal Court earn vacation leave at rates varying from five to twenty days per year, depending on length of service Vacation leave must be taken in the year earned and cannot be carried forward Employees earn ten days of sick leave each year which is noncumulative

Employees of the District Attorney can accumulate sick leave The Judge's employees can earn from twelve to twenty-four days of vacation and sick leave per year and the leave can be accumulated Sick leave is forfeited upon termination of employment

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences (Continued)

The cost of leave privileges is recognized as a current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement

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 certificates of indebtedness and compensated absences 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

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 - 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

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)

At December 31, 2012, the police jury and Fire District No 1 had cash and cash equivalents (book balances) totaling \$1,727,818 and \$137,974, respectively, as follows

	Police Jury	Fire District No 1
Demand deposits	\$ 1,677,218	\$ 116,443
Time deposits	50,000	21,531
Petty cash	600	-
Total	<u>\$ 1,727,818</u>	<u>\$ 137,974</u>

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

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2012, \$1,511,300 of the police jury's bank balances of \$1,953,703 and none of Fire District No 1's bank balances of \$137,974 were exposed to custodial credit risk as follows:

	Police Jury	Fire District No 1
Insured by FDIC	\$ 442,403	\$ 137,974
Uninsured and uncollateralized	-	-
Collateralized by pledged securities not in the police jury's name	1,511,300	-
Total balances exposed to custodial credit risk	1,511,300	-
Total bank balances	<u>\$ 1,953,703</u>	<u>\$ 137,974</u>

NOTE 3 - RECEIVABLES

The police jury's receivables of \$900,913 and Fire District No 1's of \$13,477 at December 31, 2012, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 296,436	\$ -	\$ 128,755	\$ -	\$ 878	\$ 426,069
Road and Bridge	12,433	-	16,656	-	-	29,089
Hard Surfacing	59,679	-	-	-	-	59,679
Sanitation	37,299	-	-	-	-	37,299
Library	221,247	-	19,079	-	521	240,847
Health Unit	55,313	-	4,771	-	-	60,084
Other governmental	41,132	-	1,989	4,725	-	47,846
Total primary government	<u>\$ 723,539</u>	<u>\$ -</u>	<u>\$ 171,250</u>	<u>\$ 4,725</u>	<u>\$ 1,399</u>	<u>\$ 900,913</u>
Fire District #1 Maintenance	<u>\$ 12,781</u>	<u>\$ -</u>	<u>\$ 696</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,477</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 4 - INTERFUND TRANSFERS

During the year ended December 31, 2012, transfers were made from the General Fund to Criminal Court Fund to supplement operations and from the General Fund to the sinking funds for required transfers to make debt service payments

NOTE 5 - CAPITAL ASSETS

The police jury's capital asset and depreciation activity as of and for the year ended December 31, 2012, is as follows

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated					
Land	\$ 118,200	\$ (6,000)	\$ -	\$ -	\$ 112,200
Construction in progress	1,099,346	(40,450)		(1,058,896)	-
Total capital assets not being depreciated	<u>1,217,546</u>	<u>(46,450)</u>	<u>-</u>	<u>(1,058,896)</u>	<u>112,200</u>
Capital assets being depreciated					
Infrastructure - roads and bridges	11,272,790	-	45,758	-	11,318,548
Buildings	2,983,414	-	-	-	2,983,414
Improvements	381,478	-	1,176,751	-	1,558,229
Equipment	1,517,215	-	44,137	(96,433)	1,464,919
Heavy equipment	906,242	-	19,250	(33,314)	892,178
Vehicles	466,340	-	52,156	(76,573)	441,923
Books and periodicals	649,299	-	32,465	(12,419)	669,345
Total capital assets being depreciated	<u>18,176,778</u>	<u>-</u>	<u>1,370,517</u>	<u>(218,739)</u>	<u>19,328,556</u>
Less accumulated depreciation for:					
Infrastructure - roads and bridges	8,144,978	-	111,808	-	8,256,786
Buildings	2,504,518	-	26,739	-	2,531,257
Improvements	84,814	-	64,695	-	149,509
Equipment	1,161,766	-	74,687	(95,988)	1,140,465
Heavy equipment	524,397	-	66,113	(15,823)	574,687
Vehicles	293,757	-	36,528	(76,573)	253,712
Books and periodicals	586,600	-	27,672	(12,419)	601,853
Total accumulated depreciation	<u>13,300,830</u>	<u>-</u>	<u>408,242</u>	<u>(200,803)</u>	<u>13,508,269</u>
Total capital assets being depreciated, net	<u>4,875,948</u>	<u>-</u>	<u>962,275</u>	<u>(17,936)</u>	<u>5,820,287</u>
Total capital assets, net	<u>\$ 6,093,494</u>	<u>\$ (46,450)</u>	<u>\$ 962,275</u>	<u>\$ (1,076,832)</u>	<u>\$ 5,932,487</u>

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

General government	\$ 79,198
Public safety	31,058
Public works	217,012
Health and welfare	29,437
Culture and recreation	51,537
	<u>\$ 408,242</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 5 - CAPITAL ASSETS (Continued)

Fire District No 1's capital asset and depreciation activity as of and for the year ended December 31, 2012 is as follows

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated.				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets being depreciated.				
Buildings and improvements	\$ 88,375	\$ -	\$ -	\$ 88,375
Office furniture and equipment	74,150	-	-	74,150
Total capital assets being depreciated	<u>162,525</u>	<u>-</u>	<u>-</u>	<u>162,525</u>
Less accumulated depreciation for:				
Buildings and improvements	22,645	2,209	-	24,854
Office furniture and equipment	40,292	3,277	-	43,569
Total accumulated depreciation	<u>62,937</u>	<u>5,486</u>	<u>-</u>	<u>68,423</u>
Total capital assets being depreciated, net	<u>99,588</u>	<u>(5,486)</u>	<u>-</u>	<u>94,102</u>
Total capital assets, net	<u>\$ 99,588</u>	<u>\$ (5,486)</u>	<u>\$ -</u>	<u>\$ 94,102</u>

Depreciation expense of \$5,486 was charged to public safety

NOTE 6 - LONG-TERM OBLIGATIONS

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

	<u>Certificates of Indebtedness</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance, beginning of year	\$ 272,000	\$ 25,436	\$ 297,436
Additions	-	23,035	23,035
Deductions	(85,000)	(22,572)	(107,572)
Adjustments	-	3,131	3,131
Balance, end of year	<u>\$ 187,000</u>	<u>\$ 29,030</u>	<u>\$ 216,030</u>

Outstanding certificates of indebtedness consist of the following individual issues

Certificates of Indebtedness - \$500,000 issued September 12, 2008, principal due in annual installments of \$81,000 to \$96,000 through March 1, 2014, interest 6% per annum, payments made from Parish of Catahoula, Certificates of Indebtedness, Series 2008

\$ 187,000

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 6 - LONG-TERM OBLIGATIONS (Continued)

The annual requirements to amortize all certificates of indebtedness outstanding at December 31, 2012, are as follows

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 91,000	\$ 8,490	\$ 99,490
2014	96,000	2,880	98,880
	<u>\$ 187,000</u>	<u>\$ 11,370</u>	<u>\$ 198,370</u>

Upon separation from service, employees are paid for accumulated leave at their then current rate of pay. Adjustments to the compensated absence liability include adjusting the ending liability to ending pay rates and to limitations on the hours for which an employee will be paid.

NOTE 7 - STEWARDSHIP

The following funds' expenditures and other uses exceeded budgeted amounts

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General	\$ 1,245,365	\$ 1,259,274	\$ (13,909)
Road and Bridge	460,790	487,428	(26,638)
Hard Surfacing	821,940	827,568	(5,628)
Sanitation	443,300	456,238	(12,938)
Library	309,609	326,531	(16,922)
Health Unit	51,740	53,148	(1,408)
Total	<u>\$ 1,592,339</u>	<u>\$ 1,641,527</u>	<u>\$ (49,188)</u>

NOTE 7 - RETIREMENT SYSTEM

Substantially all employees of the Catahoula 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 are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with at least 7 years of creditable service, 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.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

NOTE 7 - RETIREMENT SYSTEM (Continued)

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 Catahoula 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 Catahoula 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 Catahoula Parish Police Jury's contributions to the System under Plan A for the years ended December 31, 2012, 2011, and 2010, were \$82,300, \$83,949, and \$84,329, respectively, which equaled the required contributions for each year.

NOTE 8 - RISK MANAGEMENT

The police jury is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, liability, and injuries to employees or others. To handle such risk of loss, the police jury maintains commercial insurance through the Louisiana Rural Parish Insurance Cooperative, a self-insurance fund. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

NOTE 9 - LITIGATION

At December 31, 2012, the police jury was involved in one lawsuit. Legal counsel estimates potential damages to be between \$5,000 and \$75,000.

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 25, 2013, the date on which the financial statements were available to be issued.

Required Supplemental Information (Part II)

CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues				
Taxes				
Ad valorem	\$ 370,000	\$ 368,000	\$ 411,767	\$ 43,767
Other taxes, penalties, and interest	6,000	6,000	5,945	(55)
Licenses and permits	95,000	100,000	105,608	5,608
Intergovernmental funds				
Federal funds	-	123,000	123,277	277
Severance taxes	285,000	356,000	372,519	16,519
State revenue sharing	27,000	26,000	26,007	7
Fire insurance rebate	41,000	41,000	40,788	(212)
LGAP	-	55,000	55,115	115
Other state funds	1,000	144,080	144,322	242
Fees, charges, and commissions for services	250	50	535	485
Use of money and property	500	1,100	1,248	148
Other revenues	13,000	9,500	22,098	12,598
Donations	-	1,860	1,860	-
Total revenues	<u>838,750</u>	<u>1,231,590</u>	<u>1,311,089</u>	<u>79,499</u>
Expenditures				
Current				
General government				
Legislative	87,200	87,400	87,728	328
Judicial	73,350	75,031	73,399	(1,632)
Elections	26,505	45,284	47,286	2,002
Finance and administrative	137,700	145,160	59,822	(85,338)
Other general government	261,000	324,000	428,681	104,681
Public safety	161,000	191,280	184,800	(6,480)
Public works	-	-	2,250	2,250
Health and welfare	-	1,110	1,480	370
Economic development and assistance	5,535	5,700	5,591	(109)
Capital outlay	-	320,400	221,237	(99,163)
Total expenditures	<u>752,290</u>	<u>1,195,365</u>	<u>1,112,274</u>	<u>(83,091)</u>
Excess (deficiency) of revenues over expenditures	<u>86,460</u>	<u>36,225</u>	<u>198,815</u>	<u>162,590</u>
Other sources (uses)				
Proceeds from insurance	-	72,500	72,459	(41)
Operating transfers out	(80,000)	(50,000)	(147,000)	(97,000)
Total other sources (uses)	<u>(80,000)</u>	<u>22,500</u>	<u>(74,541)</u>	<u>(97,041)</u>
Net change in fund balances	6,460	58,725	124,274	65,549
Fund balances at beginning of year	389,193	389,193	793,358	404,165
Fund balances at end of year	<u>\$ 395,653</u>	<u>\$ 447,918</u>	<u>\$ 917,632</u>	<u>\$ 469,714</u>

Note Federal funds for the OHSEP and CDBG programs of \$87,963 and \$525,711, respectively, that are reported in the statement of revenues, expenditures and changes in fund balances has been removed from this statement as they are not budgeted outside of the grant budgets. The expenditures are reported in public safety and public works in the statement of revenues and expenditures and changes in fund balances.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues				
Taxes				
Sales and use	\$ 165,000	\$ 182,500	\$ 187,185	\$ 4,685
Intergovernmental funds				
Federal funds	-	32,000	61,411	29,411
Parish transportation	170,000	156,000	173,379	17,379
LGAP	-	23,400	23,367	(33)
Other state funds	6,000	8,700	8,349	(351)
Use of money and property	400	400	405	5
Other revenues	1,000	500	410	(90)
Total revenues	<u>342,400</u>	<u>403,500</u>	<u>454,506</u>	<u>51,006</u>
Expenditures				
Current				
Public works	362,700	419,790	420,084	294
Capital outlay	-	41,000	67,344	26,344
Total expenditures	<u>362,700</u>	<u>460,790</u>	<u>487,428</u>	<u>26,638</u>
Excess (deficiency) of revenues over expenditures	<u>(20,300)</u>	<u>(57,290)</u>	<u>(32,922)</u>	<u>24,368</u>
Other sources (uses)				
Proceeds from the sale of assets	-	1,700	1,758	58
Net change in fund balances	(20,300)	(55,590)	(31,164)	24,426
Fund balances at beginning of year	159,137	159,137	244,442	85,305
Fund balances at end of year	\$ 138,837	\$ 103,547	\$ 213,278	\$ 109,731

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues				
Taxes				
Sales and use	\$ 770,000	\$ 874,000	\$ 898,484	\$ 24,484
Intergovernmental funds				
LGAP	-	30,200	30,203	3
Use of money and property	350	430	439	9
Other revenues	1,000	3,000	2,858	(142)
Total revenues	<u>771,350</u>	<u>907,630</u>	<u>931,984</u>	<u>24,354</u>
Expenditures				
Current				
Public works	786,200	791,740	751,607	(40,133)
Capital outlay	-	30,200	75,961	45,761
Total expenditures	<u>786,200</u>	<u>821,940</u>	<u>827,568</u>	<u>5,628</u>
Excess (deficiency) of revenues over expenditures	<u>(14,850)</u>	<u>85,690</u>	<u>104,416</u>	<u>18,726</u>
Other sources (uses)				
Proceeds from the sale of assets	-	3,800	3,808	8
Net change in fund balances	<u>(14,850)</u>	<u>89,490</u>	<u>108,224</u>	<u>18,734</u>
Fund balances at beginning of year	61,588	61,588	136,001	74,413
Fund balances at end of year	<u>\$ 46,738</u>	<u>\$ 151,078</u>	<u>\$ 244,225</u>	<u>\$ 93,147</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues				
Taxes				
Sales and use	\$ 495,000	\$ 545,000	\$ 561,553	\$ 16,553
Fees, charges, and commissions for services	500	400	400	-
Use of money and property	150	365	359	(6)
Total revenues	<u>495,650</u>	<u>545,765</u>	<u>562,312</u>	<u>16,547</u>
Expenditures				
Current				
Public works	<u>443,300</u>	<u>443,300</u>	<u>456,238</u>	<u>12,938</u>
Net change in fund balances	52,350	102,465	106,074	3,609
Fund balances at beginning of year	<u>79,700</u>	<u>79,700</u>	<u>80,664</u>	<u>964</u>
Fund balances at end of year	<u>\$ 132,050</u>	<u>\$ 182,165</u>	<u>\$ 186,738</u>	<u>\$ 4,573</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues				
Taxes				
Ad valorem	\$ 235,000	\$ 295,847	\$ 309,798	\$ 13,951
Intergovernmental funds				
State revenue sharing	20,250	19,446	19,324	(122)
Other state funds	5,700	15,106	15,106	-
Fees, charges, and commissions for services	4,550	5,868	6,232	364
Fines and forfeitures	75	158	138	(20)
Use of money and property	2,500	1,559	1,606	47
Other revenues	1,450	1,258	1,280	22
Donations	1,500	1,923	2,058	135
Total revenues	<u>271,025</u>	<u>341,165</u>	<u>355,542</u>	<u>14,377</u>
Expenditures				
Current				
Culture and recreation	286,000	276,148	291,388	15,240
Capital outlay	34,000	33,461	35,143	1,682
Total expenditures	<u>320,000</u>	<u>309,609</u>	<u>326,531</u>	<u>16,922</u>
Excess (deficiency) of revenues over expenditures	<u>(48,975)</u>	<u>31,556</u>	<u>29,011</u>	<u>(2,545)</u>
Other sources (uses)				
Proceeds from the sale of assets	100	774	774	-
Net change in fund balances	<u>(48,875)</u>	<u>32,330</u>	<u>29,785</u>	<u>(2,545)</u>
Fund balances at beginning of year	<u>239,795</u>	<u>239,795</u>	<u>441,487</u>	<u>201,692</u>
Fund balances at end of year	<u>\$ 190,920</u>	<u>\$ 272,125</u>	<u>\$ 471,272</u>	<u>\$ 199,147</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues				
Taxes				
Ad valorem	\$ 70,000	\$ 56,000	\$ 77,451	\$ 21,451
Intergovernmental funds				
State revenue sharing	5,000	5,000	4,831	(169)
Use of money and property	800	800	775	(25)
Other revenues	-	-	239	239
Total revenues	<u>75,800</u>	<u>61,800</u>	<u>83,296</u>	<u>21,496</u>
Expenditures				
Current				
Health and welfare	43,650	48,740	53,148	4,408
Capital outlay	1,000	3,000	-	(3,000)
Total expenditures	<u>44,650</u>	<u>51,740</u>	<u>53,148</u>	<u>1,408</u>
Net change in fund balances	31,150	10,060	30,148	20,088
Fund balances at beginning of year	<u>260,777</u>	<u>260,777</u>	<u>311,654</u>	<u>50,877</u>
Fund balances at end of year	<u>\$ 291,927</u>	<u>\$ 270,837</u>	<u>\$ 341,802</u>	<u>\$ 70,965</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer during October of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During a special December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the special meeting, and a notice of the adoption is then published in the official journal.

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

The police jury exercises budgetary control at the functional level. Within functions the secretary/treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. Formal budgetary integration is employed as a management control device. The police jury does not use encumbrances in its accounting system.

For the year ended December 31, 2012, the police jury adopted modified accrual based budgets for the General Fund and all special revenue funds except the Criminal Court Special Revenue Fund, which is exempt from the requirements of the Local Government Budget Act. The budgetary comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

Other Supplemental Schedules

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2012**

ASSETS	SPECIAL REVENUE	DEBT SERVICE	TOTAL
Cash and cash equivalents	\$ 81,070	\$ 10,492	\$ 91,562
Receivables	47,846	-	47,846
Other assets	3,887	-	3,887
Total assets	<u>\$ 132,803</u>	<u>\$ 10,492</u>	<u>\$ 143,295</u>
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$ 5,810	\$ -	\$ 5,810
Salaries and related payables	627	-	627
Deferred revenues	17,978	-	17,978
Total liabilities	<u>24,415</u>	<u>-</u>	<u>24,415</u>
Fund equity - fund balances			
Nonspendable	3,887	-	3,647
Restricted	104,501	10,492	114,993
Total fund equity - fund balances	<u>108,388</u>	<u>10,492</u>	<u>118,880</u>
Total liabilities and fund equity	<u>\$ 132,803</u>	<u>\$ 10,492</u>	<u>\$ 143,295</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
Revenues			
Taxes			
Ad valorem	\$ 69,014	\$ -	\$ 69,014
Intergovernmental funds			
Federal funds	144,520	-	144,520
State revenue sharing	2,240	-	2,240
Fire insurance rebate	3,265	-	3,265
Fines and forfeitures	79,789	-	79,789
Use of money and property	181	-	181
Total revenues	<u>299,009</u>	<u>-</u>	<u>299,009</u>
Expenditures			
Current			
General government			
Judicial	127,332	-	127,332
Other general government	-	250	250
Public safety	17,992	-	17,992
Health and welfare	143,287	-	143,287
Culture and recreation	31,499	-	31,499
Debt service	-	98,770	98,770
Total expenditures	<u>320,110</u>	<u>99,020</u>	<u>419,130</u>
Excess (deficiency) of revenues over expenditures	<u>(21,101)</u>	<u>(99,020)</u>	<u>(120,121)</u>
Other sources (uses)			
Operating transfers in	<u>47,000</u>	<u>100,000</u>	<u>147,000</u>
Net change in fund balances	25,899	980	26,879
Fund balances at beginning of year	<u>82,489</u>	<u>9,512</u>	<u>92,001</u>
Fund balances at end of year	<u>\$ 108,388</u>	<u>\$ 10,492</u>	<u>\$ 118,880</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Nonmajor Special Revenue Funds

Criminal Court Fund

This fund was created by Section 571 11 of title 15 of the Louisiana revised Statutes of 1950 which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited in a special Criminal Court Fund account to be used for the operations of the criminal court of the parish Expenditures are made from the fund on motion of the district attorney and approval of the district judge The Statute also requires that one-half of the fund balance remaining in the Criminal court fund at December 31 of each year be transferred to the parish General Fund

Larto-Mayna Recreation Fund

This fund accounts for operations of the recreation district Financing is provided by ad valorem taxes and state revenue sharing funds

Maitland Recreation Fund

This fund accounts for operations of the recreation district Financing is provided by ad valorem taxes and state revenue sharing funds

Section 8 Fund

This fund accounts for the operations of the lower income housing assistance program, which provides aid to very low income families in obtaining decent, safe, and sanitary rental housing Financing is provided by a federal grant

Fire District No. 2 Maintenance Fund

This fund accounts for operations of the fire district Financing is provided by ad valorem taxes and state revenue sharing funds

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

ASSETS	CRIMINAL COURT	LARTO- MAYNA RECREATION	MAITLAND RECREATION	SECTION 8	FIRE DISTRICT NO. 2 MAINTENANCE	TOTAL
Cash and cash equivalents	\$ 1,268	\$ 31,146	\$ 9,279	\$ 1,349	\$ 38,028	\$ 81,070
Receivables	4,726	18,749	7,036	-	17,335	47,846
Other assets	-	-	-	-	3,887	3,887
Total assets	<u>\$ 5,994</u>	<u>\$ 49,895</u>	<u>\$ 16,315</u>	<u>\$ 1,349</u>	<u>\$ 59,250</u>	<u>\$ 132,803</u>
LIABILITIES AND FUND EQUITY						
Liabilities						
Accounts payable	\$ 2,620	\$ 1,503	\$ 305	\$ -	\$ 1,382	\$ 5,810
Salaries and related payables	627	-	-	-	-	627
Deferred revenues	-	1,219	696	14,777	1,286	17,978
Total liabilities	<u>3,247</u>	<u>2,722</u>	<u>1,001</u>	<u>14,777</u>	<u>2,668</u>	<u>24,415</u>
Fund equity - fund balances						
Nonspendable	-	-	-	-	3,887	3,887
Restricted	2,747	47,173	15,314	(13,428)	52,695	78,842
Total fund equity - fund balances	<u>2,747</u>	<u>47,173</u>	<u>15,314</u>	<u>(13,428)</u>	<u>56,582</u>	<u>108,388</u>
Total liabilities and fund equity	<u>\$ 5,994</u>	<u>\$ 49,895</u>	<u>\$ 16,315</u>	<u>\$ 1,349</u>	<u>\$ 59,250</u>	<u>\$ 132,803</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

	CRIMINAL COURT	LARTO- MAYNA RECREATION	MAITLAND RECREATION	SECTION 8	FIRE DISTRICT NO 2 MAINTENANCE	TOTAL
Revenues						
Taxes						
Ad valorem	\$ -	\$ 31,309	\$ 10,956	\$ -	\$ 26,749	\$ 69,014
Intergovernmental funds						
Federal funds	-	-	-	144,520	-	144,520
State revenue sharing	-	612	849	-	779	2,240
Fire insurance rebate	-	-	-	-	3,265	3,265
Fines and forfeitures	79,789	-	-	-	-	79,789
Use of money and property	-	77	-	-	104	181
Total revenues	<u>79,789</u>	<u>31,998</u>	<u>11,805</u>	<u>144,520</u>	<u>30,897</u>	<u>299,009</u>
Expenditures						
Current						
General government						
Judicial	127,332	-	-	-	-	127,332
Public safety	-	-	-	-	17,992	17,992
Health and welfare	-	-	-	143,287	-	143,287
Culture and recreation	-	24,228	7,271	-	-	31,499
Total expenditures	<u>127,332</u>	<u>24,228</u>	<u>7,271</u>	<u>143,287</u>	<u>17,992</u>	<u>320,110</u>
Excess (deficiency) of revenues over expenditures	<u>(47,543)</u>	<u>7,770</u>	<u>4,534</u>	<u>1,233</u>	<u>12,905</u>	<u>(21,101)</u>
Other sources (uses)						
Operating transfers in	<u>47,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,000</u>
Net change in fund balances	<u>(543)</u>	<u>7,770</u>	<u>4,534</u>	<u>1,233</u>	<u>12,905</u>	<u>25,899</u>
Fund balances at beginning of year	<u>3,290</u>	<u>39,403</u>	<u>10,780</u>	<u>(14,661)</u>	<u>43,677</u>	<u>82,489</u>
Fund balances at end of year	<u>\$ 2,747</u>	<u>\$ 47,173</u>	<u>\$ 15,314</u>	<u>\$ (13,428)</u>	<u>\$ 56,582</u>	<u>\$108,388</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

Nonmajor Debt Service Funds

Hospital District No. 1 Bond Sinking Fund

The Hospital District No 1 Sinking Fund accumulated monies for the payment of \$800,000 in bonds issued April 1, 1967 The bonds were issued to construct, equip, and furnish a parish hospital Financing was provided by ad valorem taxes

Fire District No. 2 Bond Sinking Fund

The Fire District No 2 Bond Sinking Fund accumulated monies for the payment of \$250,000 in bonds issued March 1, 1987 The bonds were issued to acquire buildings, machinery, and equipment, including both real and personal property, to be used for fire protection within the district

Certificate of Indebtedness Series 2008 Fund

The Certificate of Indebtedness Series 2008 Fund accumulates monies for the payment of \$500,000 in bonds issued September 12, 2008 The certificate of indebtedness was issued to fund the Criminal Court Fund as required by law Funds are transferred from the General Fund to pay principal and interest payments each year.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2012**

	HOSPITAL DISTRICT NO. 1 BOND SINKING	FIRE DISTRICT NO. 2 BOND SINKING	CERTIFICATE OF INDEBTEDNESS SERIES 2008	TOTAL
ASSETS				
Cash and cash equivalents	\$ 5,443	\$ 3,732	\$ 1,317	\$ 10,492
LIABILITIES AND FUND EQUITY				
Liabilities	\$ -	\$ -	\$ -	\$ -
Fund equity - fund balances				
Restricted	5,443	3,732	1,317	10,492
Total liabilities and fund equity	\$ 5,443	\$ 3,732	\$ 1,317	\$ 10,492

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

**NONMAJOR DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	HOSPITAL DISTRICT NO 1 BOND SINKING	FIRE DISTRICT NO 2 BOND SINKING	CERTIFICATE OF INDEBTEDNESS SERIES 2008	TOTAL
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
General government				
Other general government	-	-	250	250
Debt service	-	-	98,770	98,770
Total expenditures	-	-	99,020	99,020
Excess (deficiency) of revenues over expenditures	-	-	(99,020)	(99,020)
Other financing sources (uses)				
Operating transfers in	-	-	100,000	100,000
Net change in fund balances	-	-	980	980
Fund balances at beginning of year	5,443	3,732	337	9,512
Fund balances at end of year	<u>\$ 5,443</u>	<u>\$ 3,732</u>	<u>\$ 1,317</u>	<u>\$ 10,492</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

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, jurors receive \$600 per month. The president receives an additional \$400 for expenses incurred in fulfilling the responsibilities of his office.

Libby Ford, President	\$11,700
Billy D. Fletcher	7,200
Albert E. Patten	7,200
Raymond Nugent	7,200
J. D. Alexander	7,200
Delores McEntyre	7,200
Joe Barber	7,200
Benny Vault	7,200
Jackie Paulk	7,200
Total	<u>\$69,300</u>

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, 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
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed through Office of the Governor, Division of Administration -</i>			
Community Development Block Grant (Disaster Recovery)	14 228	679858	\$ 97,476
Community Development Block Grant (States Program)	14 228	692697	428,235
Direct - Section 8 Housing Choice Vouchers	14 871	LA242	144,520
Total United States Department of Housing and Urban Development			<u>670,231</u>
UNITED STATES DEPARTMENT OF ENERGY			
<i>Passed through Louisiana Department of Natural Resources</i>			
ARRA - Energy Efficiency and Conservation Block Grant	81 128	EEA-1012	13,008
ARRA - Energy Efficiency and Conservation Block Grant	81 128	EEC-1013	110,269
Total United States Department of Energy			<u>123,277</u>
UNITED STATES DEPARTMENT OF HOMELAND SECURITY			
<i>Passed through Governor's Office of Homeland Security and Emergency Preparedness</i>			
FEMA - Disaster Grant	97 036	Unknown	18,752
Emergency Management Performance Grant	97 067	EMW-2011-EP-0058	18,392
Emergency Management Performance Grant	97 067	EMW-2012-EP-00042	8,313
IEGCP	97 067	2010-IP-T0-0039	375
State Homeland Security Grant Program	97 067	2010-SS-T0-0043	38,924
State Homeland Security Grant Program	97 067	EMW-2011-SS-00124-S01	21,959
Total United States Department of Homeland Security			<u>106,715</u>
Total Federal Expenditures			<u>\$ 900,223</u>

NOTES:

General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Catahoula 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 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*

Catahoula Parish Police Jury
Harrisonburg, 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, the discretely presented component unit of Fire District No. 1 Maintenance, each major fund, and the aggregate remaining fund information of Catahoula Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Catahoula Parish Police Jury's primary government financial statements, and have issued our report thereon dated June 25, 2013.

Internal Control over Financial Reporting

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

Catahoula Parish Police Jury
Harrisonburg, Louisiana
Independent Auditor's Report - GAGAS
December 31, 2012

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 25, 2013



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

Catahoula Parish Police Jury
Harrisonburg, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Catahoula 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 Catahoula Parish Police Jury's major federal programs for the year ended December 31, 2012. Catahoula 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 Catahoula 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 Catahoula 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 Catahoula Parish Police Jury's compliance.

Opinion on Each Major Federal Program

In our opinion, Catahoula 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.

Catahoula Parish Police Jury
Harrisonburg, Louisiana
Independent Auditors' Report - OMB Circular A-133
December 31, 2012

Report on Internal Control over Compliance

Management of Catahoula 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 Catahoula 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 Catahoula 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

Bosch & Statham

Jonesboro, Louisiana
June 25, 2013

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

A. SUMMARY OF AUDIT RESULTS

- 1 The police jury issues primary government financial statements. The auditor's report expresses an unqualified opinion on the financial statements of governmental activities and each major fund of the Catahoula Parish Police Jury. The auditor's report expresses an adverse opinion on the aggregate discretely presented component units and the aggregate remaining fund information of Catahoula Parish Police Jury. All but one of the Police Jury's component units are omitted from the financial statements. The component units issue separate 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 Catahoula Parish Police Jury were disclosed during the audit.
- 4 No 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 Catahoula 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 programs were tested as major programs:
 - a United States Department of Housing and Urban Development – Community Development Block Grant (CFDA 14 228)
 - b United States Department of Energy – ARRA – EECBG (CFDA 81 128)
- 8 The threshold for distinguishing Type A and B programs was \$300,000.
- 9 The Catahoula Parish Police Jury was determined not to be a low-risk auditee.

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No findings are reported

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

No findings are reported

**CATAHOULA PARISH POLICE JURY
HARRISONBURG, LOUISIANA**

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

No findings were reported in the prior year