

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Basic Financial Statements
(Primary Government)
and Independent Auditor's Reports
As of and for the Year Ended December 31, 2015
(With Comparative Totals, December 31, 2014)**

SABINE PARISH POLICE JURY
 Many, Louisiana
 Basic Financial Statements
 (Primary Government)
 and Independent Auditor's Reports
 As of and for the Year Ended December 31, 2015
 (With Comparative Totals, December 31, 2014)

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Independent Auditor's Report

SABINE PARISH POLICE JURY

Many, Louisiana

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury, Many, Louisiana, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the parish's primary government, as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

SABINE PARISH POLICE JURY
Many, Louisiana
Independent Auditor's Report
(Continued)

BASIS FOR ADVERSE OPINION ON AGGREGATE DISCRETELY PRESENTED COMPONENT UNITS

The financial statements do not include financial data of the police jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the parish's primary government unless the parish also issues financial statements for the financial reporting entity that include financial data for its component units. The parish 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 aggregate discretely presented component units, which effects are not reasonably determinable, would have been presented. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by an amount that is also not reasonably determinable.

ADVERSE OPINION ON AGGREGATE DISCRETELY PRESENTED COMPONENT UNITS

In my 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 aggregate discretely presented component units of the police jury as of December 31, 2015, or the changes in financial position thereof for the year then ended.

UNMODIFIED OPINIONS

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the each major fund, and the aggregate remaining fund information of the police jury, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

REPORT ON SUMMARIZED COMPARATIVE INFORMATION

I have previously audited the December 31, 2014, financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated May 13, 2015. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER MATTERS

Accounting principles generally accepted in the United States of America require that the supplementary information (Part I & II), as listed in the foregoing table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

SABINE PARISH POLICE JURY
Many, Louisiana
Independent Auditor's Report
(Continued)

OTHER SUPPLEMENTAL INFORMATION

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the police jury's primary government. The combining and individual nonmajor fund financial statements, the Schedule of Compensation Paid Police Jurors, and the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

These schedules are the responsibility of management and are derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, these schedules are fairly stated, in all material respects, in relation to the primary government's basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, I have also issued my report dated June 24, 2016, on my consideration of the internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 24, 2016

REQUIRED SUPPLEMENTAL INFORMATION

PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

SABINE PARISH POLICE JURY
Many, Louisiana
Management's Discussion and Analysis
December 31, 2015

The Management's Discussion and Analysis (MD&A) of the Sabine Parish Police Jury's financial performance provides an overview of the police jury's financial activities for the year ended December 31, 2015, with comparative totals presented for the year ended December 31, 2014. The MD&A is designed to focus on the current year's activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

The assets of the Sabine Parish Police Jury exceeded its liabilities at the close of the most recent fiscal year by \$26.169 million (net position). Of this amount, \$12.483 million (unrestricted net position) may be used to meet the government's on-going obligations to citizens and creditors. The government's total net position increased by \$.887 million.

At December 31, 2015, the Sabine Parish Police Jury's governmental funds reported combined ending fund balances of \$13.524 million, an increase of \$.751 million in comparison with the prior year's ending fund balance of \$12.773 million. The total fund balance in the general fund is \$6.827 million. The unassigned fund balance in the general fund of \$6.827 million is available for spending at the government's discretion. This balance increased by \$1.010 million from the prior year's balance in general fund of \$5.817 million.

Overview of the Financial Statements

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

Government-Wide Financial Statements.

The government-wide financial statements are designed to provide readers with a broad overview of the Sabine Parish Police Jury's finances, in a manner similar to a private-sector business. These statements for the first time, combine governmental fund's current financial resources with capital assets and long-term debt obligations.

The statement of net position presents information on all of the Sabine Parish Police Jury's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sabine Parish Police Jury is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The focus on the statement of activities is on both the gross and net cost of various activities which are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services.

The government-wide financial statements distinguish the different functions of the Sabine Parish Police Jury that is principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Sabine Parish Police Jury include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The Sabine Parish Police Jury does not at this time have any business-type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentations more familiar. The focus now is on the major fund types rather than the non-major fund types. The Sabine Parish Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

Governmental Funds

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

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

The Sabine Parish Police Jury maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Statement C and Statement E, respectively. At December 31, 2015, these funds are considered to be major funds of the police jury. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Sabine Parish Police Jury adopts an annual appropriated budget for its general, special revenue, and debt service funds. Budgetary comparison statements have been provided at the fund type level for the major funds to demonstrate legal compliance with these budgets.

The basic governmental fund financial statements can be found in the Basic Financial Statements Section of this financial report.

Capital Assets

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure, and all other intangible assets that are used in operations and that have initial useful lives greater than one year. The parish has capitalized all purchased general capital and infrastructure assets.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the Notes Section of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sabine Parish Police Jury's progress in funding its obligations. Required supplementary information can be found in the Required Supplementary section of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on the major fund's budgets.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Sabine Parish Police Jury, assets exceeded liabilities by \$26.169 million at the close of the most recent fiscal year.

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

A large portion of the Sabine Parish Police Jury's net position reflects its investment in capital assets (land, buildings, machinery, equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. The Sabine Parish Police Jury uses these capital assets to provide services to citizens, consequently, these assets are not available for future spending. Although the Sabine's investment in its capital assets is reported net of related debt, it is not a spendable resource. The resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Sabine Parish Police Jury's Net Position

Total net position for all activities are \$26.169 million. The remaining balance of unrestricted net position (\$12.483 million) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Sabine Parish Police Jury is able to report positive balances in net position. The government's total net position increased by \$.887 million during 2015. The following table presents, in millions, the comparative statement of net position in a condensed format.

	<u>2014</u>	<u>2015</u>
<u>ASSETS</u>		
Current and other assets	\$13.250	\$13.913
Capital assets, net	13.878	13.735
Deferred outflows related to pensions	<u> </u>	.357
Total Assets	\$27.128	\$28.005
<u>LIABILITIES</u>		
Current and other liabilities	\$.483	.390
Long-term liabilities	1.362	1.398
Deferred inflows related to pensions	<u> </u>	.048
Total Liabilities	1.845	1.836
<u>NET POSITION</u>		
Invested in capital assets, net of debt	13.686	13.520
Unrestricted	<u>12.483</u>	<u>11.820</u>
Total Net Position	\$26.169	\$25.340

The results of current year's operations for the police jury are reported on the Statement of Activities. The following table presents, condensed comparative financial information (in millions) from that statement.

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

	<u>2014</u>	<u>2015</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	\$. 532	\$. 485
Operating grants and contributions	. 404	. 425
Capital grants and contributions	1. 046	
General revenues:		
Ad valorem taxes	3. 294	3. 395
Sales and use taxes	3. 397	3. 433
State grants	1. 602	1. 885
Interest and investment earnings	. 021	. 029
Other general revenues	<u>. 201</u>	<u>. 132</u>
Total revenues	<u>10. 497</u>	<u>9. 784</u>
<u>Functions/Program Expenses</u>		
Current:		
General government:		
Legislative	. 157	. 197
Judicial	. 485	. 703
Elections	. 024	. 043
Finance and administration	. 383	. 164
Other	. 733	. 525
Public safety	. 477	. 440
Public works	6. 069	6. 635
Health and welfare	. 193	. 160
Culture and recreation		
Economic development and assistance	. 025	. 028
Debt service - interest and fiscal charges	<u>. 007</u>	<u>. 001</u>
Total expenses	<u>8. 553</u>	<u>8. 896</u>
Increase (decrease) in net position	<u>\$1. 944</u>	<u>\$0. 888</u>

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

Governmental Activities

Total revenues from governmental activities were \$9.784 million, down from the prior year revenues of \$10.458 million. Sales taxes received this year were \$3.433 million, up from prior year revenues of \$3.397 million. Ad valorem taxes collected were \$3.394 million, up from prior year revenue of \$3.294 million. Funds received from the Louisiana Department Transportation and Development (Parish Transportation Act funds) were \$.373 million, up from the prior year revenues of \$.347 million.

Total expenditures in support of governmental activities were \$9.033 million, down from the prior year expenditures of \$9.819 million. Expenditures for public work projects (roads, bridges, etc.) totaled \$6.185 million for 2015, down from the previous year expenditures of \$7.351 million. Expenditures in support of the parish's judicial system were \$.703 million for 2015, up from the previous year expenditures of \$.485 million.

Financial Analysis of the Government's Funds

As noted earlier, the Sabine Parish Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Sabine Parish Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Sabine Parish Police Jury's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Sabine Parish Police Jury's governmental funds reported combined ending fund balances of approximately \$13.524 million, an increase of \$.751 million from the previous year. Total fund balance for the general fund is \$6.827 million, an increase of \$1.010 million from the previous year. The unassigned fund balance in the general fund was \$6.827 million, which constitutes an amount which is available for spending at the government's discretion. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The remainder of fund balance is in special purpose funds to indicate that it is not necessarily available for new spending because it has already been committed to pay for a variety of other special purposes for which the funds were created, Special Revenue Funds, \$3.058 million.

The general fund is the chief operating fund of the Sabine Parish Police Jury. At the end of the current year, total fund balance of the General Fund was \$6.827 million. The fund balance of the Sabine Parish Police Jury's General Fund increased by \$1.010 million from the previous year.

Budgetary Highlights

The major funds of the Sabine Parish police Jury includes the governmental funds presented on Statements C and E of the police jury's basic financial statements. Budgetary comparisons for these major funds is presented, as required supplemental information, on Schedules 1 through 5 of the police jury's basic financial statements. The following presents significant highlights of selected funds and the budgetary process.

General Fund - actual revenues were less than budgeted revenues by approximately \$.128 million or 4.20 per cent. Actual expenditures were less than budgeted expenditures by approximately \$.659 million or 25.61 per cent.

Transportation Fund - actual revenues were more than budgeted revenues by approximately \$.011 million or 0.35 per cent. Actual expenditures were less than budgeted expenditures by approximately \$.093 million or 3.51 per cent.

Sales Tax Fund - actual revenues exceeded budgeted revenues by approximately \$.043 million or 1.22 per cent. Actual expenditures were less than budgeted expenditures by approximately \$.051 million or 1.32 per cent.

Criminal Court Fund - is exempt from the requirements of Louisiana law relating to the adoption of an annual budget; accordingly, a budgetary comparison is not presented in these supplemental schedules.

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

Road District No. 17 - actual revenues were more than budgeted revenues by approximately \$.001 million or 0.35 per cent. Actual expenditures were less than budgeted expenditures by approximately \$.059 million or 12.23 per cent.

Road District No. 18 - actual revenues were more than budgeted revenues by approximately \$.001 million or 0.59 per cent. Actual expenditures were more than budgeted expenditures by approximately \$.002 million or 7.3 per cent.

Health Unit Fund - actual revenues were more than budgeted revenues by approximately \$.001 or 0.01 per cent. Actual expenditures were less than budgeted expenditures by approximately \$.001 million or 7.21 per cent.

Capital Asset and Debt Administration

Capital Assets

The Sabine Parish Police Jury's investment in capital assets for its governmental activities at December 31, 2015, amounts to \$13.878 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure added this year. Additional information on Sabine Parish Police Jury's capital assets can be found in the Note section of this report. The following table shows capital assets (in millions), net of accumulated depreciation, for the year ended December 31, 2015:

	<u>2014</u>	<u>2015</u>
Land	\$.640	\$.640
Construction in progress	2. 282	
Buildings and improvements	2. 199	2. 130
Machinery and equipment	2. 943	2. 983
Furniture and fixtures	. 013	. 021
Infrastructure	<u>5. 801</u>	<u>7. 961</u>
 Total s	 <u>\$13. 878</u>	 <u>\$13. 735</u>

Debt Administration

At December 31, 2015, the Sabine Parish Police Jury had total debt outstanding of \$1.398 million. Of this amount, \$.049 million is comprised of capital lease agreements, \$.355 million in compensated absences, \$.908 million in other postemployment benefit costs, and \$.086 in pension benefit obligations. Additional information on the Sabine Parish Police Jury's long-term debt can be found in the Note section of this report.

Economic Factors and Next Years Budgets and Rates

Police Jurors and appointed officials use citizen input and consider many factors when setting the upcoming year's budget and tax millages. Our ad valorem taxes, state revenue sharing, severance taxes and sales tax collections are very important in this process accounting for approximately 97% of the 2015 revenues. Budgetary estimates for the ad valorem and state revenue sharing are based upon expectations of what the tax rolls and approved millages will provide. The jury budgeted the severance taxes and sales tax revenues (combined approximately 95% of total 2015 revenues) conservatively for the ensuing year's budget. Severance taxes are primarily controlled by the amount of timber harvested in the parish with some amount of oil activity. The housing slump appears to have leveled out, resulting in the timber severance taxes starting to increase. The prior years increased drilling for natural gas in the Haynesville Shale resulted in a steep increase in the sales and use tax and general severance tax revenues. This activity has peaked and revenue from these sources are expected to decrease in future years.

SABINE PARISH POLICE JURY

Many, Louisiana

Management's Discussion and Analysis

(Continued)

Requests for Information

This financial report is designed to provide a general overview of the Sabine Parish Police Jury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sabine Parish Police Jury, ATTN: Secretary/Treasurer, 400 S. Capitol Street, Room 101, Many, Louisiana 71449, telephone 318-256-5637.

**SABINE PARISH POLICE JURY
MANY, LOUISIANA**

**BASIC FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015, AND FOR THE YEAR THEN ENDED
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)**

Statement A

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Net Position
December 31, 2015
(With Comparative Totals, December 31, 2014)

	2015	2014
ASSETS		
Cash and cash equivalents	\$10,266,086	\$9,360,736
Receivables	3,646,800	3,889,321
Capital assets (net of accumulated depreciation):		
Land	639,576	639,576
Construction in progress	2,129,702	2,281,793
Buildings and improvements	2,983,878	2,943,475
Machinery and equipment	21,081	12,573
Furniture, equipment, and other	3,372,200	1,123,833
Infrastructure:		
Roads	995,977	995,977
Road right-of way	3,592,792	3,681,027
Bridges	356,746	
Deferred outflows related to pensions	-----	-----
TOTAL ASSETS	\$28,004,837	\$27,127,601
LIABILITIES		
Accounts, salaries, and other payables	\$389,069	\$477,050
Interest payable	927	6,775
Long-term liabilities:		
Due within one year	122,083	351,017
Due in more than one year	1,275,594	1,010,869
Deferred inflows related to pensions	48,002	
Total Liabilities	1,835,674	1,845,712
NET POSITION		
Invested in capital assets, net of related debt	13,686,433	13,520,414
Unrestricted	12,482,731	11,761,476
TOTAL NET POSITION	\$26,169,163	\$25,281,889

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

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Activities
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	EXPENSES	PROGRAM REVENUES			2015	2014
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
FUNCTIONS/PROGRAMS						
Governmental activities:						
General government:						
Legislative	\$196,550				(\$196,550)	(\$156,568)
Judicial	703,224	\$236,500			(466,724)	(209,282)
Elections	42,688				(42,688)	(23,649)
Finance and administrative	164,370				(164,370)	(382,856)
Other	525,164				(525,164)	(732,579)
Public safety	440,213		\$52,385		(387,828)	(420,153)
Public works	6,635,247	249,106	373,433		(6,012,708)	(4,478,460)
Health and welfare	160,495				(160,495)	(193,377)
Economic development and assistance	27,941				(27,941)	(25,441)
Debt service	927				(927)	(6,775)
Total Governmental Activities	8,896,818	485,606	425,818	-----	(7,985,394)	(6,629,141)
General revenues:						
Taxes:						
Property taxes, levied for general purposes					3,394,845	3,293,654
Sales and use taxes, levied for general purposes					3,432,791	3,397,394
State grant programs					1,884,583	1,601,887
Interest and investment earnings					28,530	21,494
Miscellaneous					131,921	201,183
Total general revenues and special items					8,872,669	8,515,611
Changes in net position					887,274	1,886,470
Net position - Beginning of year					25,281,889	23,395,424
Net position - End of year					\$26,169,163	\$25,281,889

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

SABINE PARISH POLICE JURY
Many, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
December 31, 2015
(With Comparative Totals at December 31, 2014)

	GENERAL FUND	TRANSPORTATION FUND	SALES TAX FUND	CRIMINAL COURT FUND	ROAD DISTRICT FUND NO. 17	ROAD DISTRICT FUND NO. 18	HEALTH UNIT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
									2015
									2014
ASSETS									
Cash and cash equivalents	\$5,759,098	\$597,391	\$544,129		\$42,280	\$84,196	\$1,811,737	\$1,427,255	\$10,266,086
Receivables	1,047,889	26,158	21,685	\$11,211	327,848	152,680	175,491	1,883,838	3,646,800
Interfund receivables	81,433								81,433
TOTAL ASSETS	\$6,888,419	\$623,549	\$565,814	\$11,211	\$370,127	\$236,876	\$1,987,228	\$3,311,093	\$13,994,318
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts, salaries, and other payables	\$60,994	\$12,260	\$41,336	\$28,614	\$22,729	\$13,435	\$6,572	\$203,130	\$389,069
Interfund payables				31,302				50,131	81,433
Total Liabilities	60,994	12,260	41,336	59,915	22,729	13,435	6,572	253,261	470,501
Fund balances:									
Restricted for maintenance and operation									
Unassigned	6,827,425	611,289	524,478	(48,704)	347,398	223,442	1,980,656	3,107,538	6,746,097
Total Fund Balances	6,827,425	611,289	524,478	(48,704)	347,398	223,442	1,980,656	3,057,832	13,523,817
TOTAL LIABILITIES AND FUND BALANCES	\$6,888,419	\$623,549	\$565,814	\$11,211	\$370,127	\$236,876	\$1,987,228	\$3,311,093	\$13,994,318

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

SABINE PARISH POLICE JURY
Many, Louisiana

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
December 31, 2015
(With Comparative Totals, December 31, 2014)

	2015	2014
Total Fund Balances - Governmental Funds	<u>\$13,523,817</u>	<u>\$12,773,007</u>
Cost of capital assets	\$79,340,032	
Less - accumulated depreciation	(65,604,826)	13,735,206
	<u>-----</u>	<u>13,877,544</u>
Elimination of interfund assets and liabilities:		
Interfund receivables	81,433	
Interfund payables	(81,433)	NONE
	<u>-----</u>	<u>NONE</u>
Long-term liabilities:		
Capital lease agreements	(48,773)	
Compensated absences	(354,902)	
Other postemployment benefits	(907,575)	
Pension benefit obligations and related inflows/outflows	222,318	
Interest payable - current	(927)	(1,089,859)
	<u>-----</u>	<u>(1,368,662)</u>
Net Assets	<u>\$26,169,163</u>	<u>\$25,281,889</u>
	<u>=====</u>	<u>=====</u>

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

SABINE PARISH POLICE JURY
Many, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	GENERAL FUND	TRANSPORTATION FUND	SALES TAX FUND	CRIMINAL COURT FUND	ROAD DISTRICT FUND NO. 17	ROAD DISTRICT FUND NO. 18	HEALTH UNIT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	2015	2014
REVENUES											
Taxes:											
Ad valorem	\$819,920			\$210,629	\$329,740	\$146,581	\$178,247	\$1,920,357	\$3,605,474	\$3,293,654	
Sales and use	250,203		\$3,432,791						3,432,791	3,397,394	
Other taxes, licenses, and interest									250,203	122,546	
Intergovernmental revenues:											
Federal funds	52,385								52,385	57,170	
State funds	1,782,737	\$373,433			16,068	23,372	6,465	55,941	2,258,016	2,994,236	
Fees, charges, and commissions for services										256,401	
Fines and forfeitures	445									275,518	
Use of money and property	18,742	658	117,313	1,122	437	326	3,287	25,426	25,871	21,494	
Other revenues	1,372				8,315	519		4,481	145,244	39,598	
Total revenues	2,925,803	374,091	3,550,103	211,751	354,560	170,798	187,999	2,008,987	9,784,092	10,458,010	
EXPENDITURES											
Current											
General government:											
Legislative	196,550									196,550	156,568
Judicial	372,916				265,135				65,173	703,224	484,801
Elections	42,688									42,688	23,649
Finance and administrative	353,244			52,629						473,114	382,856
Other	466,134					11,782	5,181	6,277		489,374	409,128
Public safety	440,213					472,675	276,579		2,228,671	440,213	477,323
Public works										160,495	
Health and welfare	15,816	2,410,997	796,010							6,184,932	7,350,941
Culture and recreation											193,377
Economic development and assistance	27,941									27,941	25,441
Debt service		161,496								314,752	315,133
Total expenditures	1,915,502	2,572,494	848,639	265,135	484,457	333,763	150,955	2,462,338	9,033,282	9,819,217	
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,010,301	(2,198,402)	2,701,465	(53,385)	(129,897)	(162,965)	37,044	(453,350)	750,810	638,793	
OTHER FINANCING SOURCES (Uses)											
Operating transfers in		2,640,000									
Operating transfers out		(89,433)	(3,043,000)								
Increase in capital leases											
Total other financing sources (uses)		2,550,567	(3,043,000)								
SPECIAL ITEMS											
Sale of fixed assets											39,039
Compensation for property damage											
Total Special Items					NONE	NONE	NONE	NONE			39,039
NET CHANGE IN FUND BALANCE	1,010,301	352,164	(341,535)	(53,385)	(53,238)	(86,820)	37,044	(113,722)	750,810	677,833	
FUND BALANCE AT BEGINNING OF YEAR	5,817,124	259,125	866,013	4,681	400,636	310,262	1,943,612	3,171,553	12,773,007	12,095,174	
FUND BALANCES AT END OF YEAR	\$6,827,425	\$611,289	\$524,478	(\$48,704)	\$347,398	\$223,442	\$1,980,656	\$3,057,832	\$13,523,817	\$12,773,007	

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

SABINE PARISH POLICE JURY
Many, Louisiana

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	2015	2014
Total net change in fund balances - governmental funds	<hr/> \$750,810	<hr/> \$677,833
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the period:		
Capital outlays	\$399,454	
Depreciation expense	(849,768)	(450,315) 1,282,121
Repayment of bond principal, bank loans, capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	314,752	315,133
In the Statement of Activities certain operating expenses, such as compensated absences and pension benefit obligations are measured by the amounts earned during year, but in the Governmental Funds expenditures for these items are measured by the amount of financial resources used.	272,954	(381,842)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(927)	(6,775)
Change in net assets of governmental activities	<hr/> (\$887,274)	<hr/> \$1,886,470
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

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

SABINE PARISH POLICE JURY
(Primary Government)
Many, Louisiana

Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2015

INTRODUCTION

The Sabine Parish Police Jury is the governing authority for Sabine Parish and is a political subdivision of the State of Louisiana. The police jury is governed by 9 jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January 2016.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements—Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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 police 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. Governmental Accounting Standards Board (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) financial statements are not a substitute for the reporting entity's financial statements.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the component units, the Sabine Parish Assessor, Sheriff, Clerk of Court, Library, Fire Protection District No. 1 Wards 1 and 2, Fire District No. 1 Wards 3 and 4, North Sabine Fire Protection District, South Toledo Bend Waterworks District, and the Humane Society Animal Shelter District, that comprise the reporting entity are included in the accompanying financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

SABINE PARISH POLICE JURY
Many, Louisiana
Notes to the Basic Financial Statements
(Continued)

C. FUNDS

The police jury uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain police jury functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the police jury are classified as follows:

Governmental Funds

Governmental funds account for all or most of the police jury's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the police jury. The following are the police jury's primary governmental funds:

General Fund -- the general operating fund of the police jury and accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

Capital projects funds -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements - include the Statement of Net Position (Statement A) and the Statement of Activities (Statement B). These financial statements report the financial position and results of operations for the police jury as a whole. Fiduciary funds, if applicable, are not included at this level, as they are only reported in the Statement of Fiduciary Net Position at the fund financial statement level.

The Government-Wide Financial Statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the police jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the police jury's general revenues.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

Allocation of Indirect Expenses - The police jury reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements - governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. Fund financial statements report detailed information about the police jury. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and, if applicable, the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The police jury considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which includes state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Expenditure driven Federal and state grants are recorded as restricted grants-in-aid when the reimbursable expenditures have been incurred.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the Sabine Parish Tax Commission (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

Substantially all other revenues are recorded when they are available to the police jury.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and sales and use tax are treated as susceptible to accrual by the police jury.

Expenditures

Salaries are recorded as expenditures when earned.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the underlying events occur.

Deferred Revenues

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

E. BUDGETS

The police jury adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the secretary/treasurer and the finance committee of the police jury during October/November of each year. During November/December, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its meeting in December, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the police jury as a whole. The budgets are then adopted, and notice is published in the official journal.

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized within the accounting system for budgetary control purposes; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The secretary/treasurer is authorized to transfer amounts between line items within a fund; however, when requested by the police jury, budgetary comparisons are prepared and presented to the police jury during a regular meeting. The police jury reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal. Budget amounts included in the accompanying financial statements include the original and final amended budget amounts.

F. ENCUMBRANCES

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

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the police jury may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. INVESTMENTS

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the police jury, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States government; and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the police jury may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at fair value.

I. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the fund financial statements but are eliminated for reporting purposes on the government-wide financial statements.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)**J. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury capitalizes all assets with an estimated useful life of more than one year. Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. All capital assets, other than land and construction in progress, are depreciated using the straight-line method of depreciation. Interest costs on debt used to finance the acquisition and/or construction of capital assets are not capitalized. The following is a summary of the estimated useful life(s) of the various capital assets of the police jury:

Asset Type	Useful Life (Years)
Buildings	25 - 80
Machinery and Equipment	10 - 20
Furniture and fixtures	5 - 10

K. COMPENSATED ABSENCES

Employees of the police jury earn 5 to 20 days of vacation leave and 12 days of sick leave each year, depending on their length of service. Vacation leave accumulates without limitation and employees are paid for their accumulated vacation leave upon termination of employment. Sick leave may be accumulated to a maximum of 45 days; however, accumulated sick leave is forfeited upon termination of employment.

The registrar of voters and the chief deputy of Sabine Parish are employees of the State of Louisiana, Department of Elections and Registration and are paid in part by the Sabine Parish Police Jury. Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation; however, upon separation of employment, classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours.

Employees of the Eleventh Judicial District Criminal Court Fund earn 10 days of vacation leave and 45 days of sick leave each year, depending on their length of service. Vacation and sick leave do not accumulate, and employees cannot be paid for unused leave upon termination of employment.

For the portion of the salaries paid by the Sabine Parish Police Jury, the cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. Police jury employees and employees of the Department of Elections and Registration, paid in part by the police jury, have accumulated and vested \$354,902 of employee leave benefits, which were computed in accordance with GASB Codification Section C60.

L. RESTRICTED NET POSITION

For government-wide statement of net position, net position, if applicable, are reported as restricted when constraints placed on net asset use are either, externally imposed by creditors (such as debt covenants, construction contracts, etc.), grantors, contributors, or laws or regulations of other governments and/or imposed by law through constitutional provisions or enabling legislation.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

M. FUND EQUITY

Effective for fiscal years ending December 31, 2015, the police jury implemented the requirements of GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of constraints placed on government's fund balance more transparent. The following classifications describe the relative strength of spending constraints:

Nonspendable Fund Balance - amounts that are not in spendable form; i.e., inventory, prepaid expenses, etc.

Restricted Fund Balance - amounts constrained to specific purposes by their providers; i.e., grantors, bondholders, and higher levels of government through constitutional provision or enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes, by the jury, using its highest level of decision-making authority. These fund balances can not be used for any other purpose unless the jury takes the same highest level action to remove or modify the constraint.

Assigned Fund Balance - amounts the police jury intends to use for a specific purpose. Intent is expressed by the jury.

Unassigned Fund Balance - amounts that are available for unrestricted expenditure. Positive amounts are reported only in the General Fund.

The police jury, establishes fund balance commitments and assignments by passage of a resolution, typically uses restricted fund balances first, followed by committed, assigned, and unassigned fund balances when an expenditure is incurred for purposes for which amounts in any of these classifications could be used.

N. 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.

O. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. SALES TAXES

The Sabine Parish Police Jury levies a one per cent sales and use tax. The tax proposition provides that the tax be used to establish, construct, acquire, improve, and operate a solid waste collection and disposal system for the parish, with the balance of the funds used to establish, maintain, and improve roads and bridges. The tax (upon renewal in 2014) went into effect on August 1, 2014, and will expire on July 31, 2024. Delinquencies and July taxes would be remitted to the jury after July 31, 2024.

SABINE PARISH POLICE JURY
 Many, Louisiana
 Notes to the Basic Financial Statements
 (Continued)

Q. 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.

2. RESTATEMENT OF NET POSITION

For the year ended December 31, 2015, the police jury implemented the provisions of GASB Statement 68, *Accounting and Financial Reporting For Pensions*. As a result of implementation, net position was restated as follows:

Net position - December 31, 2014	\$25,340,280
Restatement due to implementation of GASB 68	(58,391)
Net position- January 1, 2015	<u>\$25,281,889</u>

3. CASH AND CASH EQUIVALENTS

At December 31, 2015, the police jury has cash and cash equivalents (book balance) as follows:

Petty cash	\$100
Interest-bearing demand deposits	<u>10,265,986</u>
Total Cash and Cash Equivalents	<u>\$10,266,086</u>

The collected bank balances (cash and cash equivalents), at December 31, 2015, are secured as follows:

<u>Description</u>	<u>Category</u>			<u>Bank</u>	<u>Book</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balance</u>	<u>Balance</u>
Demand deposits	\$500,000	None	\$9,876,798	\$10,376,798	\$10,266,086

Category 1 includes cash and cash equivalents that are insured or registered or for which the securities are held by the police jury or its agent in the police jury's name. Category 2 includes uninsured and unregistered cash and cash equivalents for which securities are held by the bank's trust department, broker-dealers, or agent in the police jury's name. Category 3 includes uninsured and unregistered cash and cash equivalents for which the securities are held by the bank's trust department, broker-dealer, or by its agent but not in the police jury's name.

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. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent has failed to pay deposited funds upon demand.

SABINE PARISH POLICE JURY
 Many, Louisiana
 Notes to the Basic Financial Statements
 (Continued)

4. RECEIVABLES

The receivables at December 31, 2015, are as follows:

Class of Receivable	Major Funds	Nonmajor Funds	Total
Taxes - ad valorem	\$1,188,980	\$2,040,683	\$3,229,663
Intergovernmental revenues	310,714	65,919	376,633
Other	38,603	1,901	40,504
Total s	\$1,538,297	\$2,108,503	\$3,646,800

5. CAPITAL ASSETS

Governmental capital assets and depreciation activity as of and for the year ended December 31, 2015, is as follows:

Description	Beginni ng Bal ance	Addi tions	Deducti ons	Endi ng Bal ance
Land	\$639,576			\$639,576
Construction in progress	2,281,793	\$21,717	(\$2,303,510)	-----
Buildings	3,339,381			3,339,381
Machinery & equipment	6,177,923	363,883		6,541,806
Furniture & Fixtures	93,561	13,854		107,415
Infrastructure	66,408,345	2,303,510		68,711,855
Total Capital Assets	78,940,579	2,702,964	(2,303,510)	79,340,033
Depreciation:				
Buildings	(1,140,090)	(69,588)		\$(1,209,678)
Machinery & equipment	(3,234,448)	(323,480)		(3,557,928)
Furniture & fixtures	(80,988)	(5,346)		(86,334)
Infrastructure	(60,607,508)	(143,379)		(60,750,887)
Total accumulated depreciation	(65,063,034)	(541,793)	-----	(65,604,827)
Net capital assets	\$13,877,545	\$2,161,171	(2,303,510)	\$13,735,206

Current year depreciation, charged to the public works function (Statement B) was \$1,734,901 for the year ended December 31, 2015.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

6. PENSION PLANS

Parochial Employees Retirement System of Louisiana - substantially all employees of the police jury, are members of the Parochial Employees Retirement System of Louisiana ("system"), a multiple-employer, public employee retirement system (PERS), controlled and 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. Employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from funds and all elected parish officials, enrolled as of January 1, 1997, are eligible to participate in the system. Under Plan A, employees who were hired prior to January 1, 2008, may retire at or after age 65 with at least 7 years of credited service, at age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service and employees who were hired after January 1, 2008, may retire at age 67 with at least 7 years of credited service, at age 62 with at least 10 years of credited service, or at age 55 with at least 30 years of credited service, are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final compensation multiplied by the employee's years of credited service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1 percent of final compensation, plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial 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, Post office Box 14619, Baton Rouge, LA 70898-4619, or by calling (225) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 14.50 percent of annual covered payroll. Contributions to the System 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 the 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 employers 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 of the prior fiscal year. The employer contributions to the System under Plan A for the years ending December 31, 2015, 2014, and 2013, were substantially equal to the required contributions for each year.

At December 31, 2014, the police jury reported a liability of \$64,676 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability, used to calculate the net pension liability was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employee's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan. The employer's contribution effort was actuarially determined by the system's actuary.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

For the year ended December 31, 2014, the police jury recognized pension expense of \$171,900. At December 31, 2014, the police jury reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	-----	\$28,751
Net difference between projected and actual earnings on pension plan investments	\$134,287	-----
Differences between police jury contributions and proportionate share contributions	-----	599
Police jury contributions made subsequent to the measurement date	212,996	-----
Total	\$347,283	\$29,350

\$212,996 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Deferral Period 1	\$23,788
Deferral Period 2	23,788
Deferral Period 3	23,788
Deferral Period 4	33,573

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014 is as follows:

Valuation Date	December 31, 2014
Actuarial Cost Method	Aggregate Actuarial Cost
Investment Rate of Return	7.25% net of investment expense
Expected Remaining Service Lives	4 Years
Projected Salary Increases	5.75% (2.75% merit/3.00% Inflation
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases.
Mortality	RP-2000 Combined Health Mortality Table (set back 3 years for males and 2 years for females/RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rate assumed contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the actuarially determined rates approved by PRSAC, taking into consideration the recommendation of the systems actuary.

The following represents the police jury's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the employer's net position would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

	1% Decrease	1% Increase
	(6.25%)	(8.25%)
Police jury's proportionate share of the net pension liability	\$934,984	\$(672,728)

Registrar of Voters Employees' Retirement System of Louisiana - any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Registrar of Voters Employees' Retirement System of Louisiana, Post Office Box 57, Jennings, LA 70546, or by calling (337) 824-9187.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System. Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year, funding criteria for granting cost of living adjustments is dependent on the funded ratio.

At December 31, 2014, the police jury reported a liability of \$21,176 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability, used to calculate the net pension liability was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employee's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan. The employer's contribution effort was actuarially determined by the system's actuary.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

For the year ended December 31, 2014, the police jury recognized pension expense of \$. At December 31, 2014, the police jury reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience		\$3,485
Net difference between projected and actual earnings on pension plan investments		2,887
Changes in assumptions	\$2,624	
Changes in proportion	1,205	
Police jury contributions made subsequent to the measurement date	2,285	
Total	<u><u>\$6,114</u></u>	<u><u>\$6,372</u></u>

\$2,285 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Deferral Period 1	\$661
Deferral Period 2	661
Deferral Period 3	661
Deferral Period 4	661

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014 is as follows:

Valuation Date	June 30, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.00% net of investment expense
Expected Remaining Service Lives	4 Years
Projected Salary Increases	6.00% (2.75% merit/3.25% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases.
Mortality	RP-2000 Combined Health Mortality Table (set back 3 years for males and 2 years for females/RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.)

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rate assumed contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the actuarially determined rates approved by PRSAC, taking into consideration the recommendation of the systems actuary.

The following represents the police jury's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the employer's net position would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

	1% Decrease	1% Increase
	(6.25%)	(8.25%)

Police jury's proportionate share of the net pension liability	\$31,109	\$12,641
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District Attorneys' Retirement System of Louisiana - all persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the District Attorneys' Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, LA 70802-8143, or by calling (225) 267-4824.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced: 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

Disability benefits are awarded to active contributions members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years): plus projected continued service to age sixty.

Upon the death of a member with less than 5 years of creditable service; his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a fund of accumulated contributions upon request. Receipt of a refund check cancels all accrued rights in the System.

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to 'A of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to die payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

At December 31, 2014, the police jury reported a liability of \$21,176 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability, used to calculate the net pension liability was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employee's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan. The employer's contribution effort was actuarially determined by the system's actuary.

For the year ended December 31, 2014, the police jury recognized pension expense of \$. At December 31, 2014, the police jury reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	-----	\$2,150
Net difference between projected and actual earnings on pension plan investments	6,129	
Differences between police jury contributions and proportionate share contributions	1,730	4,001
Police jury contributions made subsequent to the measurement date	1,619	-----
Total	<u><u>\$3,349</u></u>	<u><u>\$12,280</u></u>

\$1,619 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Deferral Period 1	\$2,638
Deferral Period 2	2,638
Deferral Period 3	2,638
Deferral Period 4	2,638

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014 is as follows:

Valuation Date	June 30, 2014
Actuarial Cost Method	Aggregate Actuarial Cost Method with allocation based on earnings
Investment Rate of Return	7.25% net of investment expense
Expected Remaining Service Lives	6 Years
Projected Salary Increases	6.25% (2.75% merit/3.5% inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases.
Mortality	RP-2000 Combined Health Mortality Table (set back 3 years for males and 1 year for females).

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rate assumed contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the actuarially determined rates approved by PRSAC, taking into consideration the recommendation of the systems actuary.

The following represents the police jury's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the employer's net position would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rate assumed contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the actuarially determined rates approved by PRSAC, taking into consideration the recommendation of the systems actuary.

The following represents the police jury's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the employer's net position would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

	1% Decrease	1% Increase
	(6.25%)	(8.25%)
Police jury's proportionate share of the net pension liability	\$12,700	\$(9,723)

SABINE PARISH POLICE JURY
Many, Louisiana
Notes to the Basic Financial Statements
(Continued)

7. OTHER POSTEMPLOYMENT BENEFITS

Plan description. The police jury contributes to a single-employer defined benefit health care plan ("the plan"). To receive benefits, employees must retire with at least 25 years of service and had Parish Government Risk Management Agency medical coverage for at least five (5) years at the time of retirement. The retiree does not contribute to the plan. Benefits are provided through the Parish Government Risk Management Agency Health Benefit Plan with coverage continuing for the life of the retiree and surviving spouse. The plan does not issue a publicly available financial report.

The police jury implemented Governmental Accounting Standards Board Statement Number 45, Accounting and Financial Reporting for Employers for Postemployment Benefits Other Than Pensions (GASB 45). The statement has been implemented prospectively. Using this method, the beginning other postemployment benefit (OPEB) liability is set at zero and the actuarially determined OPEB liability relative to past service (prior to January 1, 2015) will be amortized over thirty years.

Additionally, life insurance coverage is provided to the eligible retiree at no cost to the retiree. The death benefit is \$10,000 to age 65 and reduces to \$5,000 at age 65 until age 70 when coverage ceases.

Funding policy. The police jury contributes 100% of the cost of the plan for qualified employees and their spouses.

Annual OPEB cost and net OPEB obligation. The police jury's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer using the projected unit cost method with the service cost determined for each employee at the actuarial present value of the benefits allocated to the valuation year using a discount rate of 4 percent and a health care cost trend rate (level) at 5 percent. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize and unfund actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following shows the components of the police jury's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the police jury's net OPEB obligation to the retiree health care plan.

Annual required contribution	\$331,375
Interest on prior year net OPEB obligation	24,627
Amortization of prior year net OPEB Obligation	(34,913)
Total annual OPEB cost (AOC)	<u>\$321,089</u>
January 1, 2015 net OPEB obligation	\$615,665
Annual OPEB cost (AOC)	321,089
Expected net OPEB costs	(29,179)
December 31, 2015 net OPEB obligation	<u>\$907,575</u>

Funded status and funding progress. As of December 31, 2015, the actuarial accrued liability for benefits was \$3,554,636, all of which is unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$565,339, and the ratio of unfunded actuarial accrued liability to the covered payroll is 628.76 percent.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

Retirement age for active employees - Active members were assumed to retire when they were eligible for retirement benefits and had at least 25 years of service and had Parish Government Risk Management Agency medical coverage for at least five (5) year at the time of retirement.

Mortality - Life expectancies were based on RP-2000 Combined Table M/F AA 2015.

Turnover - Rates varying by age with sample rates at age 25 of 15 percent, age 40 of 6 percent and age 55 of 0 percent.

Disability - None assumed.

Retirement rates - Rates vary by age, with an average retirement age of 60.

Retiree contributions - NONE.

Amortization period - A level period for 30 years was used to determine amortization costs for the initial Unfunded Actuarial Accrued Liability.

8. LONG-TERM LIABILITIES

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. The lease obligations, consisting of equipment, i.e., vehicles, tractors, motor graders, et cetera, are paid from the Parish Transportation Fund and the Road District Maintenance Funds.

The following is a schedule of changes in long-term liabilities for the year ended December 31, 2015:

	Compensated Absences	Capital Leases	Other Post Employment Benefits	Parochial Employees' Retirement System of Louisiana	Registrar of Voters' Employee Retirement System of Louisiana	District Attorneys Retirement System of Louisiana	Total
Beginning Balance	\$330,700	\$357,131	\$615,665	\$17,610	\$25,948	\$14,833	\$1,361,887
Additions	97,512	-----	321,089	47,066	-----	-----	465,667
Deductions	(73,310)	(308,358)	(29,179)	-----	(4,772)	(14,259)	(429,877)
Ending Balance	\$354,902	\$48,773	\$907,575	\$64,676	\$21,176	\$574	\$1,397,676
Current Long-term	\$73,310	\$48,773	\$907,575	\$64,676	\$21,176	\$574	\$122,083
Total	\$354,902	\$48,773	\$907,575	\$64,676	\$21,176	\$574	\$1,397,676

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments:

	Capital Lease <u>Obligations</u>
For the Year Ended December 31,	
2016	<u>\$49,700</u>
Total	<u>49,700</u>
Less - amount representing interest	<u>(927)</u>
Bal ance, December 31, 2015	<u><u>\$48,773</u></u>

9. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due for the year ended December 31, 2015:

Bal ance due, December 31, 2014	\$4,681
Amount due for 2015	-----
Remitted	<u>(4,681)</u>
Bal ance due, December 31, 2015	<u>-----</u>

10. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables/payables at December 31, 2015 are as follows:

	Interfund	
	Receivable	Payable
General Fund		\$81,433
Special Revenue Funds:		
Criminal Court Fund		\$31,302
Witness Fee Fund		<u>50,131</u>
Total s	<u><u>\$81,433</u></u>	<u><u>\$81,433</u></u>

11. RISK MANAGEMENT

The police jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The police jury carries commercial insurance for all the aforementioned risks of loss and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Basic Financial Statements
(Continued)

12. LANDFILL

On April 29, 1994, the Sabine Parish Police Jury (the Parish) entered into a *Contract of Landfill Management* (Contract) with TransAmerican Waste Industries, Inc., (Contractor) which transfers operation and maintenance of the Sabine Parish Landfill from the Parish to the Contractor. The Contract frees the Parish from any and all future environmental liabilities and/or responsibility associated with ownership, operation of, and management of the Sabine Parish Landfill.

Since the financial obligation related to closure and postclosure care of the landfill has been legally transferred to the Contractor and it has been determined that the Contractor is financially capable of meeting the financial obligations imposed by the closure and postclosure care responsibilities, the Parish is not required to, and has not, recognized any closure and postclosure costs relating to the operation of the Sabine Parish Landfill.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

**BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2015**

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - GENERAL FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$5,159,283	\$5,817,124	\$5,817,124	-----
Resources (inflows)				
Taxes, licenses, and permits	886,243	935,368	1,070,122	134,754
Intergovernmental grants	1,540,957	1,976,432	1,835,121	(141,311)
Fines, fees, and forfeitures	138,000	126,800	445	(126,355)
Use of money and property	29,000	14,000	18,742	4,742
Other revenues	1,300	1,350	1,372	22
Operating transfers in	1,000	-----	-----	-----
Total resources (inflows)	2,596,500	3,053,950	2,925,803	(128,147)
Amounts available for appropriations	7,755,783	8,871,074	8,742,927	(128,147)
Charges to appropriations (outflows)				
Current:				
General government:				
Legislative	177,246	205,685	196,550	9,135
Judicial	348,497	539,905	372,916	166,989
Electronics	64,632	64,850	42,688	22,162
Finance and administration	399,360	367,813	353,244	14,569
Other	792,520	850,303	466,134	384,169
Public safety	504,856	498,327	440,213	58,114
Health and welfare	16,716	16,716	15,816	900
Economic development and assistance	28,816	31,316	27,941	3,375
Total charges to appropriations	2,332,643	2,574,915	1,915,502	659,413
BUDGETARY FUND BALANCES - ENDING	\$5,423,140	\$6,296,159	\$6,827,425	\$531,266

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - TRANSPORTATION FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$137,550	\$259,125	\$259,125	-----
Resources (inflows)				
Intergovernmental grants	292,692	362,926	-----	(\$362,926)
Use of money and property	25	500	374,091	373,591
Operating transfers in	2,640,000	2,640,000	2,640,000	-----
Total resources (inflows)	2,932,717	3,003,426	3,014,091	10,665
Amounts available for appropriations	3,070,267	3,262,551	3,273,216	10,665
Charges to appropriations (outflows)				
Current:				
Public works	2,752,078	2,513,358	2,410,997	102,361
Operating transfers out	40,234	80,468	89,433	(8,965)
Debt service	161,753	161,496	161,496	-----
Total charges to appropriations	2,954,065	2,755,322	2,661,927	93,395
BUDGETARY FUND BALANCES - ENDING	\$116,202	\$507,229	\$611,289	\$104,060

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - SALES TAX FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$797,511	\$866,013	\$866,013	-----
Resources (inflows)				
Taxes, licenses, and permits	3,400,000	3,400,000	3,432,791	32,791
Fees and charges for services	95,000	106,000	-----	(106,000)
Use of money and property	650	650	117,313	116,663
Total resources (inflows)	3,495,650	3,506,650	3,550,103	43,453
Amounts available for appropriations	4,293,161	4,372,663	4,416,117	43,453
Charges to appropriations (outflows)				
Current:				
General government - finance and administration	45,000	50,500	52,629	(2,129)
Public works	824,025	849,395	796,010	53,385
Other financing uses	3,043,000	3,043,000	3,043,000	-----
Total charges to appropriations	3,912,025	3,942,895	3,891,639	51,256
BUDGETARY FUND BALANCES - ENDING	\$381,136	\$429,768	\$524,478	\$94,710

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - ROAD DISTRICT NO. 17 FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$317,748	\$400,636	\$400,636	-----
Resources (inflows)				
Taxes, Licenses, and permits	319,432	329,701	\$329,740	39
Intergovernmental grants	16,004	16,019	16,068	49
Use of money and property	500	8,815	8,752	(63)
Other financing sources	68,595	75,190	76,659	1,469
Total resources (inflows)	404,531	429,725	431,219	1,494
Amounts available for appropriations	722,279	830,361	831,856	1,494
Charges to appropriations (outflows)				
Current:				
General government - public works	456,544	543,682	484,457	59,225
Total charges to appropriations	456,544	543,682	484,457	59,225
BUDGETARY FUND BALANCES - ENDING	\$265,735	\$286,679	\$347,398	\$60,719

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - ROAD DISTRICT NO. 18 FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$194,118	\$310,262	\$310,262	-----
Resources (inflows)				
Taxes, Licenses, and permits	135,238	146,581	\$146,581	-----
Intergovernmental grants	7,350	23,325	23,372	47
Use of money and property	250	844	845	1
Other financing sources	68,373	74,746	76,145	1,399
Total resources (inflows)	211,211	245,496	246,943	1,447
Amounts available for appropriations	405,329	555,758	557,205	1,447
Charges to appropriations (outflows)				
Current:				
General government - public works	214,776	309,303	333,763	(24,460)
Debt service	52,003	52,003	-----	-----
Total charges to appropriations	266,779	361,306	333,763	(24,460)
BUDGETARY FUND BALANCES - ENDING	\$138,550	\$194,452	\$223,442	\$28,990

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 GOVERNMENTAL FUND - HEALTH UNIT FUND

Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$1,923,493	\$1,943,612	\$1,943,612	-----
Resources (inflows)				
Taxes, Licenses, and permits	168,026	178,248	178,247	(1)
Intergovernmental grants	6,428	6,438	6,465	27
Use of money and property	3,800	3,300	3,287	(13)
Total resources (inflows)	178,254	187,986	187,999	13
Amounts available for appropriations	2,101,747	2,131,598	2,131,611	13
Charges to appropriations (outflows)				
Current:				
General government - health and welfare	165,199	162,677	150,955	11,722
Total charges to appropriations	165,199	162,677	150,955	11,722
BUDGETARY FUND BALANCES - ENDING	\$1,936,548	\$1,968,921	\$1,980,656	\$11,735

See independent auditor's report.

SABINE PARISH POLICE JURY
Many, Louisiana

Retiree Healthcare Plan
December 31, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Unfunded				UAAL as a Percentage of Covered Payroll
		Actuarial Accrued Liability	(AAL)	Actuarial Accrued Liability	(UAAL)	
December 31, 2015	\$0	\$3,554,636		\$3,554,636	0.00%	\$565,339 628.76%
December 31, 2013	\$0	\$3,554,636		\$3,554,636	0.00%	\$565,339 628.76%

See independent auditor's report.

SABINE PARISH POLICE JURY
 Many, Louisiana
 Retiree Healthcare Plan
 December 31, 2015

Schedule of Employer Contribution

Fiscal Year Ending	Annual OPEB Cost	Annual Contributed	Percentage of Annual OPEB Costs Contributed	OPEB Obligation	Increase/(Decrease) to Net OPEB Obligation
December 31, 2015	\$321,089	\$29,179	9.09%	\$291,910	\$907,575
December 31, 2014	327,662	27,793	8.48%	299,869	615,665
December 31, 2013	330,556	14,760	4.47%	315,796	315,796

See independent auditor's report.

SABINE POLICE JURY
 Many, Louisiana
 Schedule of Employer's Proportionate Share of Pension Liability
 December 31, 2015

Year Ended December 31	Employer Portion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Pension Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Parochial Employees' Retirement System of Louisiana - Valuation Date of December 31, 2014					
2015	0.236554%	\$64,676	\$1,449,428	0.051152%	99.1463%
Registrar of Voters' Employees' Retirement System - Valuation Date of June 30, 2015					
2015	0.087793%	\$21,501	\$11,911	0.0591114	76.8566%
District Attorneys' Retirement System Louisiana - Valuation Date of June 30, 2015					
2015	0.036443	\$1,963	\$22,775	0.086200%	98.5614%

See independent auditor's report.

SABINE POLICE JURY
 Many, Louisiana
 Schedule of Employer's Proportionate Share of Pension Liability
 December 31, 2015

Parochial Employees' Retirement System of Louisiana - Valuation Date of December 31, 2014

Contractually Required Contributions	\$210,167
Contributions in Relation to Contractually Required Contribution	(210,167)
Contribution Deficiency (Excess)	-----
Employer's Covered Employee Payroll	\$1,449,429
Contributions as % of Covered Payroll	14.50%

Registrar of Voters' Employees' Retirement System - Valuation Date of June 30, 2015

Contractually Required Contributions	\$2,784
Contributions in Relation to Contractually Required Contribution	(2,785)
Contribution Deficiency (Excess)	-----
Employer's Covered Employee Payroll	11.911
Contributions as % of Covered Payroll	24.25%

District Attorneys' Retirement System Louisiana - Valuation Date of June 30, 2015

Contractually Required Contributions	\$1,196
Contributions in Relation to Contractually Required Contribution	(1,196)
Contribution Deficiency (Excess)	-----
Employer's Covered Employee Payroll	\$22,775
Contributions as % of Covered Payroll	7.00%

See independent auditor's report.

**SABINE PARISH POLICE JURY
MANY, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015**

NONMAJOR GOVERNMENTAL FUNDS

ROAD DISTRICT MAINTENANCE FUNDS -- are separate taxing districts which levy ad valorem property taxes at varying millages. The revenues collected by the individual road districts can only be expended within that district.

WITNESS FEE FUND -- pays fees for law enforcement officers who appear in court while off duty. Financing is provided through court costs designated for that purpose.

JUROR FEE FUND -- pays fees for individuals serving the parish's judicial system as a juror. Financing is provided through court costs designated for that purpose.

INDUSTRIAL DISTRICT NO. 1 DEBT SERVICE FUND -- accounts for the accumulated balance remaining from the servicing of debt on industrial development bonds.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT CAPITAL PROJECTS FUND -- accounts for the operation of the Federal grant passed through the State of Louisiana.

**SABINE PARISH POLICE JURY, PRIMARY GOVERNMENT
MANY, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

**COMBINING SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015**

SABINE PARISH POLICE JURY
 Many, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet, December 31, 2015
 (With Comparative Totals, December 31, 2014)

	ROAD DISTRICTS	WITNESS FEES	JUROR FEES	INDUSTRIAL DISTRICT NO. 1 DEBT SERVICE FUND	LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT - CAPITAL PROJECTS FUND	TOTAL
						2015 2014
ASSETS						
Cash and cash equivalents	\$1,304,755		35,262	\$87,238		\$1,427,255
Receivables	1,881,937	\$1,542	359			1,883,838
Interfund receivables						1,876,497
TOTAL ASSETS	\$3,186,692	\$1,542	\$35,621	\$87,238	-----	\$3,311,093
	=====	=====	=====	=====	=====	=====
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$202,013	\$1,117				\$203,130
Interfund payables		50,131				50,131
Total Liabilities	202,013	51,248	-----	-----	-----	253,261
	-----	-----	-----	-----	-----	-----
Fund Balance:						
Restricted for maintenance and operation	2,984,679		\$35,621	\$87,238		3,107,538
Unassigned (deficit)		(49,706)				(49,706)
Total Fund Balance	2,984,679	(49,706)	35,621	87,238	-----	3,057,832
	-----	-----	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$3,186,692	\$1,542	\$35,621	\$87,238	-----	\$3,311,093
	=====	=====	=====	=====	=====	=====

See independent auditor's report.

SABINE PARISH POLICE JURY
Many, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	ROAD DISTRICTS MAINTENANCE FUNDS	WITNESS FEE FUND	JUROR FEE FUND	INDUSTRIAL DISTRICT NO. 1 DEBT SERVICE FUND	LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT - CAPITAL PROJECTS FUND	TOTAL
						2015 2014
REVENUES						
Taxes - ad valorem	\$1,920,357					\$1,920,357 \$1,861,819
Intergovernmental revenues - state funds						
Federal funds						
State funds	55,941					55,941 55,671
Fines and forfeitures	4,215	\$20,669	\$4,758	111		25,426 26,515
Use of money and property	2,782					4,481 4,987
Other revenues				\$154		2,782 5,201
Total revenues	1,983,295	20,669	4,869	154		2,008,987 1,954,192
EXPENDITURES						
Current:						
General government:						
Judicial		23,527	41,645			65,173 28,117
Finance and administrative	67,241					67,241 67,668
Public works	2,228,671					2,228,671 1,764,832
Economic development						
Debt service:						
Principal	98,569					98,569 96,723
Interest	2,684					2,684 4,654
Total expenditures	2,397,165	23,527	41,645	NONE		2,462,338 1,961,994
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(413,870)	(2,859)	(36,776)	154		(453,350) (7,802)

See independent auditor's report.

SABINE PARISH POLICE JURY
Many, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	ROAD DISTRICTS MAINTENANCE FUNDS	WITNESS FEE FUND	JUROR FEE FUND	INDUSTRIAL DISTRICT NO. 1 DEBT SERVICE FUND	LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT - CAPITAL PROJECTS FUND	TOTAL	
						2015	2014
OTHER FINANCING SOURCES (Uses)							
Operating transfers in Increase in capital leases	\$339,629					\$339,629	\$65,318
Total other financing sources (uses)	339,629	-----	-----	-----	-----	339,629	65,318
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(74,241)	(\$2,859)	(\$36,776)	\$154	-----	(113,722)	57,516
FUND BALANCES AT BEGINNING OF YEAR	3,058,920	(46,847)	72,397	87,084	-----	3,171,553	3,114,037
FUND BALANCES AT END OF YEAR	\$2,984,679	(\$49,706)	\$35,621	\$87,238	-----	\$3,057,832	\$3,171,553

See independent auditor's report.

SABINE PARISH POLICE JURY

Many, Louisiana

NONMAJOR GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - ROAD DISTRICT FUNDS

Combining Balance Sheet, December 31, 2015
 (With Comparative Totals, December 31, 2014)

	No. 1	No. 4	No. 9	No. 11	No. 15	No. 16	No. 19	No. 20	TOTAL 2015	TOTAL 2014
ASSETS										
Cash and cash equivalents	\$324,378	\$332,520	\$109,816	\$299,149	\$52,865	\$16,970	\$144,167	\$24,889	\$1,304,755	\$1,330,738
Receivables	454,677	292,316	202,454	368,692	216,680	103,182	166,693	77,244	1,881,937	1,873,418
TOTAL ASSETS	\$779,055	\$624,836	\$312,270	\$667,841	\$269,545	\$120,153	\$310,859	\$102,133	\$3,186,692	\$3,204,156
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$19,968	\$80,058	\$21,051	\$16,755	\$9,674	\$17,355	\$8,815	\$28,337	\$202,013	\$145,236
Total Liabilities	19,968	80,058	21,051	16,755	9,674	17,355	8,815	28,337	202,013	145,236
Fund Balance - restricted for maintenance and operation	759,087	544,778	291,219	651,086	259,871	102,798	302,045	73,796	2,984,679	3,058,920
TOTAL LIABILITIES AND FUND BALANCE	\$779,055	\$624,836	\$312,270	\$667,841	\$269,545	\$120,153	\$310,859	\$102,133	\$3,186,692	\$3,204,156

See independent auditor's report.

SABINE PARISH POLICE JURY

Many, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS - ROAD DISTRICT FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2015
 (With Comparative Totals for the Year Ended December 31, 2014)

	No. 1	No. 4	No. 9	No. 11	No. 15	No. 16	No. 19	No. 20	TOTAL 2015	TOTAL 2014
REVENUES										
Taxes - ad valorem	\$468,535	\$300,040	\$211,836	\$373,241	\$218,744	\$107,383	\$165,710	\$74,868	\$1,920,357	\$1,861,819
Intergovernmental revenues:										
Federal funds	8,841	3,300	10,284	3,777	14,052	6,090	5,730	3,867	55,941	55,671
State funds	1,013	894	394	823	437	137	385	132	4,215	4,661
Use of money and property					2,782				2,782	5,201
Other revenues										
Total revenues	478,388	304,234	222,514	377,841	236,015	113,610	171,825	78,867	1,983,295	1,927,352
EXPENDITURES										
Current:										
General government - other	16,272	10,363	7,489	12,986	7,806	3,812	5,883	2,632	67,241	67,668
Public works	387,890	399,857	281,124	298,698	390,768	167,252	159,341	143,743	2,228,671	1,764,832
Debt service:										
Principal	25,353	35,897		25,353				11,966	98,569	96,723
Interest	424	1,377		424				459	2,684	4,654
Total expenditures	429,938	447,493	288,613	337,461	398,574	171,064	165,223	158,799	2,397,165	1,933,877
EXCESS (Deficiency) OF REVENUES										
OVER EXPENDITURES	48,450	(143,259)	(66,098)	40,380	(162,559)	(57,453)	6,602	(79,932)	(413,870)	(6,524)
OTHER FINANCING SOURCES										
Operating transfers in	39,441	36,036	42,956	35,520	74,548	41,404	35,298	34,426	339,629	65,318
Total other financing sources	39,441	36,036	42,956	35,520	74,548	41,404	35,298	34,426	339,629	65,318
EXCESS (Deficiency) OF REVENUES AND OTHER										
SOURCES OVER EXPENDITURES AND OTHER USES	87,891	(107,223)	(23,142)	75,900	(88,011)	(16,050)	41,900	(45,506)	(74,241)	58,794
FUND BALANCE AT BEGINNING OF YEAR	671,196	652,001	314,361	575,186	347,881	118,848	260,145	119,303	3,058,920	3,000,126
FUND BALANCE AT END OF YEAR	\$759,087	\$544,778	\$291,219	\$651,086	\$259,871	\$102,798	\$302,045	\$73,796	\$2,984,679	\$3,058,920

See independent auditor's report.

SABINE PARISH POLICE JURY
Many, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

For the Year Ended December 31, 2015

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$900 per month, while the other jurors receive \$800 per month.

Bison, Ronny	\$9,600
Byrd, Randy	9,600
Carter, Kenny	9,600
Ebarb, Kenneth	9,600
Funderburk, Kenneth	9,600
Funderburk, Willies	9,600
Garcie, Eric	9,600
Ruffin, William E.	10,800
Sepulvado, Ricky L.	<u>9,600</u>
Total	<u><u>\$87,600</u></u>

SABINE PARISH POLICE JURY
Many, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

For the Year Ended December 31, 2015

Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer as Required By Act 706 of 2015
For the Year ended December 31, 2015

	William E. Ruffin - <u>President</u>
Gross salary	\$10,800
Benefits - FICA/Medicare	826
Travel :	
To meetings	412
To conferences	510
Registration fees	665
Housing	1,575
Special meals - food while at conferences	<u>159</u>
Total	<u><u>\$14,947</u></u>

See independent auditor's report.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control over financial reporting and compliance and other matters required by *Government Auditing Standards*, issued by the Comptroller General of the United States.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

SABINE PARISH POLICE JURY
Many, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury, Many, Louisiana, as of and for the year ended December 31, 2015 and the related notes to the financial statements, which collectively comprise the basic financial statements of the primary government and have issued my report thereon dated June 24, 2016.

Internal Control Over Financial Reporting

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

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 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 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.

My consideration of internal control over financial reporting 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 my audit I did not identify any deficiencies in internal control I 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 entity's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

SABINE PARISH POLICE JURY
Many, Louisiana
GAO Report
(Continued)

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing on 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 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. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 24, 2016

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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MANAGEMENT LETTER FOR THE YEAR ENDED DECEMBER 31, 2015

SABINE PARISH POLICE JURY
Many, Louisiana

The results of my procedures disclosed the following areas of concern as it relates to possible noncompliance with Louisiana law.

The following is a repeat finding from previous years:

2015-1 Louisianians Revised Statute (LSA-RS) 15:255 establishes the authority for judges to create and adequately finance a special fund, administered by the parish governing authority, to compensate off-duty police officers who are required to be present as a witness in court proceedings. The statute also provides that the judge or judges, as the needs of the special fund requires, to adjust the schedule of costs to ensure that the proceeds are adequate to fully pay the witness fees authorized.

For the year ended December 31, 2015, this "special fund" commonly known as the Witness Fee Fund reported a fund deficit of \$49,706, an increase of \$2,859 from the prior year.

During the year ended December 31, 2011, the judges amended the fee schedule to provide additional financing to the Witness Fee Fund and eliminate, over the next few years, the deficit in this fund. This action appears to not be adequate, as the deficit increased from \$24,829 at December 31, 2011, to \$49,706 at December 31, 2015.

The secretary/treasurer of the police jury has given assurances that he will contact the district judges and recommend that they amend the prior year corrective plan to ensure that the deficit is eliminated as soon as possible. Resolution of this finding is the responsibility of the district judge(s).

2015-2 The Louisiana Legislative Auditor (LLA), based on complaints received concerning certain transactions involving the Sabine Parish Police Jury (SPPJ) road department activates and funds, conducted an investigative audit and issued an investigative audit services report in March 2016. Highlights of the report disclosed the following:

- A. Individual police jurors may have directed road maintenance work totaling \$378,682 without obtaining approval of the parish governing authority and involving the parish road manager as required by the Parish Transportation Act (PTA), or following state bid law or SPPJ public works procedures which may result in a violation of State law.
- B. Public funds may have been used to maintain private driveways and roads that were not included on the SPPJ-approved road list, which may be a violation of State law.

A full report, including management's response may be obtained at www.lia.la.gov.

Respectfully submitted,

Herbie W. Way

Herbie W. Way
Certified Public Accountant
Alexandria, Louisiana
June 24, 2016

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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318/442-7568
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MANAGEMENT LETTER FOR THE YEAR ENDED DECEMBER 31, 2014
(Prior Year)

SABINE PARISH POLICE JURY
Many, Louisiana

The results of my procedures disclosed the following areas of concern as it relates to possible noncompliance with Louisiana law, a repeat finding from previous years:

2014-1 Louisiana Revised Statute (LSA-RS) 15:255 establishes the authority for judges to create and adequately finance a special fund, administered by the parish governing authority, to compensate off-duty police officers who are required to be present as a witness in court proceedings. The statute also provides that the judge or judges, as the needs of the special fund requires, to adjust the schedule of costs to ensure that the proceeds are adequate to fully pay the witness fees authorized.

For the year ended December 31, 2015, this "special fund" commonly known as the Witness Fee Fund reported a fund deficit of \$46,847, a decrease of \$1,849 from the prior year.

During the year ended December 31, 2011, the judges amended the fee schedule to provide additional financing to the Witness Fee Fund and eliminate, over the next few years, the deficit in this fund. This action was not adequate, as the deficit increased from \$24,829 at December 31, 2011, to \$46,847 at December 31, 2015.

The secretary/treasurer of the police jury has given assurances that he will contact the district judges and amend the prior year corrective plan to ensure that the deficit is eliminated as soon as possible.

Respectfully submitted,

Herbie W. Way
Herbie W. Way
Certified Public Accountant
Alexandria, Louisiana
June 24, 2016