

UNION PARISH POLICE JURY
2019 ANNUAL OPERATING BUDGET

POLICE JURORS

Jerry W. Taylor, President	District 3
Derek S. Kennedy, Vice President	District 5
Charles Sawyer	District 1
Lanny Parker	District 2
Glenn Hutto	District 4
Nathan Futch	District 6
Stan Smith	District 7
Michael Jones	District 8
John Watley	District 9

DEPARTMENT HEADS

Paula Strickland, Secretary/Treasurer

Michael Mahaffey, Legal Counsel

Greg Gossler, Homeland Security Director

Lane Rugg, Road Superintendent

Richard Phelps, Landfill Superintendent

Stephanie Herrmann, Library Director

Danny Smith, 911 Communications Director

Sharon Dixon, HUD Section 8 Director

2019 Budget Message

This year's budget reflects the continued effort to improve the financial accountability of parish government and to meet the service demands of our citizens and the infrastructure needs of our community. It is a balanced budget utilizing all available sources of revenue. After careful consideration and analyzing the spending trends in previous years I have prepared a budget that works efficiently for the needs of Union Parish.

The Union Parish Police Jury is the governing authority for Union Parish and is a political subdivision of the State of Louisiana. The police jury is governed by nine (9) jurors representing nine single member districts within the parish. The jurors serve four-year terms. At the time of his/her election, a police juror must be a registered voter, a resident of the state for the last two years and actually domiciled for the preceding year in the district from which he seeks election.

Louisiana Revised Statute 33:1236 gives the police juries various responsibilities to regulate and direct the affairs of the parish and its inhabitants. These responsibilities include but are not limited to: (1) regulating subdivisions; (2) regulating speed limits on all parish roads; (3) regulating the construction, maintenance or repair to buildings; (4) providing the construction and maintenance of roads, bridges and drainage systems; and (5) providing for the health and welfare of the poor, disadvantaged and unemployed in the parish. I encourage you to read Louisiana Revised Statute 33:1236 to see exactly what the police jury's various responsibilities are.

The Union Parish Police Jury uses Fund Accounting. Instead of using multiple checking accounts the police jury has one major account (Master). I like to use the analogy of a tree with multiple branches. There are several funds in the Master Account: General Fund, Road Maintenance, Road Construction, Library, Unemployment, Airport, Off-Duty Witness Fees, Detention Center, Health Unit, Sales Tax-Landfill, Union Parish Litter Court, Union Parish Communications District, Collections-Sales Tax, HUD Section 8 and Homeland Security. The jury also has a Payroll Bank Account which is a wash-out account. The funds that are needed for Payroll are transferred from the Master Account to the Payroll Account.

Budgeting Process

The budgeting process begins in September. Worksheets are printed and General Ledgers are reviewed. I am looking for anything that seems to be out of the ordinary. If something were inadvertently coded incorrectly a journal entry is needed. In October/November a proposed budget is printed for each department supervisor. They are asked if their department will be doing any road projects next year, any major equipment to be purchased or any major projects for the landfill. If possible, each department supervisor will sign off on their proposed budget. With the exception of the Library and Section 8, the Secretary/Treasurer prepares all of the budgets for the parish.

Louisiana Revised Statute 39:1305 states that (1) each political subdivision prepares a comprehensive budget presenting a complete financial plan for each fiscal year for the general

fund and each special revenue fund; (2) the chief executive or administrative officer of the political subdivision shall prepare the proposed budget and (3) budget document shall include a budget message signed by the budget preparer. Once the budget is prepared a Finance meeting is needed for the proposed budget to be presented to the committee. The committee is asked to review and discuss. At this time any necessary changes will be determined. An ad is placed in the official journal notifying the public that the proposed budget is available for public inspection at the Police Jury Annex office. The public is also notified that a public hearing will take place on the designated date to adopt the proposed budget. The notice must be published at least ten days prior to the date of the hearing. A public hearing will be held at a special meeting in December. After the special meeting the budget will be adopted. The budget can be amended at any time during the year, but as long as there is not a 5% variance either way in the total budget it is usually left alone.

General Fund – Fund 01

General Fund Revenue projections are based upon information supplied by the Union Parish Tax Assessor, analyzing previous year's income and assumption of slight revenue growth. The General Fund has been able to stay in a positive cash flow, but there are a couple of line items that are noteworthy. The items listed below are ones that I feel like need a little extra explanation.

Severance Tax – Timber (001.4.351.00000 and Severance Tax – Oil/Gas

There were numerous discussions on how much timber severance tax the parish receives. I have created a separate account for the oil and gas severance tax. This will make it easier when reviewing the Revenue and Expense reports.

Retiree Health Insurance (001.5.111.65000)

Peggy Tate, Buck Brantley and Dan Morgan – (\$26,160.12)

Probation and Juvenile Officer (001.5.122.65000)

The jury pays \$6,458.04 a year (\$538.17 monthly) to Lincoln Parish Police Jury to help pay the support of a probation and juvenile officer. There has been a tremendous increase in the amount of psych evaluations ordered for juvenile offenders. The psych evaluations cost \$1,000 per evaluation. This line item was increased from \$12,000 to \$25,000 in 2018. It is being increased by another \$10,000 in 2019.

Other Salary (001.5.151.12000)

There has been a substantial decrease due to the retirement of one employee and the resignation of another. The budget went from \$104,450 (Peggy, Angelique, Angelet and Danielle) to \$51,000 (Angelet and Danielle).

Professional Fees (001.5.151.15000)

There is a substantial increase in professional fees due to increase in audit fees, payroll processing fees and attorney fees. Professional fees budgeted last year were \$30,000. They have been increased to \$65,000 for the year 2019. The attorney fees are for the *Union Parish Police Jury v. Karl A. Malone and Timber Traders* lawsuit. I have allotted the following:

- Bosch and Statum - \$11,000 – Audit
- Kenneth Folden & Company - \$2,500 - Payroll processing for general fund
- Kenneth Folden & Company - \$1,500 – preparation of end of year financials
- Gold-Weems - \$50,000– lawsuit.

As of November 27, **\$56,914.60** has been spent on *Union Parish Police Jury v. Karl A. Malone and Timber Traders*. Steve Oxenhandler with the law firm of Gold Weems has estimated that the total cost of the lawsuit could exceed \$100,000. At some point the jury may want to set a maximum amount they are willing to spend.

Feeding and Maintaining Prisoners (001.5.201.52000)

This line item amount is being increased due to juveniles being housed –one juvenile cost \$6,000 a month. John Belton, District Attorney for Lincoln/Union Parish, is constantly being apprised of the situation. This situation is only going to get worse. Next year seventeen (17) year-olds cannot be housed in adult facilities. The line item was increased from \$52,000 to \$105,000. I recommend doing a feasibility study of having a juvenile wing at the Detention Center. There would be issues with keeping the juveniles segregated and providing educational classes.

Trailblazers (001.5.651.650000)

Mr. Sawyer requested an increase from \$1,200 to \$2,000 a month.

Appropriation to Detention Center (001.5.695.06000)

In December of 2017, the police jury transferred \$950,000 into the Detention Center fund. The Transitional Work Release program has brought in \$1,011,475.05 to date. On December 31, 2017 the Transitional program had generated a total amount of \$917,631.30. The DOC inmate count is down which means there is a decrease in DOC funding. The DOC income to date is \$1,515,753.77. On December 31, 2017 the DOC income was \$1,937,843.75. We will not generate that much DOC income for the year 2018. I am proposing a transfer of \$700,000. If the \$700,000 was transferred that should eliminate the budget deficit finding. I do not want to undershoot and not have enough to cover something. There was an incident on Saturday, November 17, 2018 where an inmate had to be transported via helicopter to Shreveport. The cost surrounding that incident could be very high.

Appropriation to Airport (001.5.695.07000)

The appropriation to the airport was increased last year from \$10,000 to \$15,000. The fuel account from Marion State Bank was merged into the Master Fund in August. The overall airport budget has increased due to the aviation fuel being purchased through the police jury. Multiple improvements have been made to the airport.

Road Maintenance Fund 02

Road Maintenance Fund Revenue projections are based upon information supplied by the Union Parish Tax Assessor and by analyzing previous year's income. A special election was held on December 10, 2016 to renew three (3) tax renewals. Proposition No. 2 provided for 6.15 mills to be levied on all property subject to taxation in Union Parish for road maintenance. This existing tax has been on the books for several years. It narrowly passed with a vote of 2,352 to 2,242.

Equipment Rental (002.5.310.25000)

Three motor graders being leased in the amount of \$3,000 per month.

Professional Fees (002.5.310.15000)

Professional fees have increased due to the increase in audit fees and payroll processing.

Equipment Trucks and Heavy Equipment (002.5.310.43000)

The first zipper payment was made in October 2018. The second payment will be due in October 2019 in the amount of \$44,318. Funds have also been allocated funds a mini excavator. The jury has applied for an LGAP grant, but the grant, if received, will not pay the total amount.

Retiree Health Insurance (002.5.310.65000)

Grady McKinnie, Virgil McKinnie, Mike Holley, Willie Jones and Donnie West @ \$726.67 (\$43,600.20)

Road Construction Fund 03

Road Construction Fund Revenue projections are based upon information supplied by the Union Parish Tax Assessor and by analyzing previous year's income. A special election was held on December 10, 2016 to renew three (3) tax renewals. Proposition No. 1 provided for 5.13 mills to be levied on all property subject to taxation in Union Parish for the construction of roads and bridges. This existing tax has been on the books for several years. It narrowly passed with a vote of 2,414 to 2,163.

Currently there is one FEMA funded project – Loch Lomond Road. Loch Lomond is located in District 8 and was heavily damaged during the March 2016 floods. Based on a Dumas &

Associates estimate, the project will cost approximately \$551,960. FEMA will pay 75% of the cost and LCDBG will pay 25%. The 25% match could take several months for reimbursement. As of this date the project has not gone out for bid.

Engineering Fees (003.5.310.85000)

Loch Lomond Road
Dumas & Associates
Thomas Magee

Contracts (003.5.310.85000)

Loch Lomond

Library Fund 04

Library Fund Revenue projections are based upon information supplied by the Union Parish Tax Assessor and by analyzing previous year's income. The budget for the library is prepared by Stephanie Herrmann, Director. A special election was held on December 10, 2016 to renew three (3) tax renewals. Proposition No. 3 provided for 2.40 mills to be levied for the operation and maintenance of the Union Parish Public Library. Proposition No. 3 narrowly passed with a vote of 2,325 to 2,250. The Union Parish Library opened in 1956. The library has 11,897 active patrons. The library has 62,899 adult books, 27,275 juvenile books, 36,786 ebooks, 152 playaways, 2333 movies, 2643 audio books, 479 magazines, 10 laptops, 25 kindles and 22 public access computers. During the aftermath of Katrina and during the local floods in 2016 the library welcomed hundreds of people seeking digital information about flood insurance/homeowner policies and documents. Insurance information was faxed from the library for months while people began to recover their lost homes. Local businesses often use the library internet access to solicit job applicants and nearly every Monday morning the fax machine is busy sending in time sheets from independent employees of home health, nursing and home sitting services. The library currently has digitized all local newspapers back to 1880 in a searchable online source for genealogist, researchers and historians. The library has a local presence in nearly every small community in Union Parish from Little Free Libraries, book nooks, backyard bookshelf, book delivery programs, bookmobile routes, school-daycare based outreach programs and ebook access.

Unemployment Fund 05

If an unemployment claim has been filed and any expenses are due it is paid out of this fund. Each individual fund has an amount budgeted for unemployment expenses. In the event an unemployment claim is filed, the money is transferred via journal entry into this fund.

Airport Fund 07

Airport Fund Revenue projections are based upon grant monies, aviation fuel sold and hangar leases. The airport participates in a General Aviation Airport Maintenance Program. This program allows the jury to receive a portion of the monies spent on maintenance.

Material & Supplies (007.5.661.37000)

The Water Treatment System cost \$2,700. This was a one-time expense and I did not budget for it in 2019.

Off Duty Witness Fees Fund 8

Off Duty Witness Fees fund revenue projections are based upon court fines. The jury pays the off-duty police officers when they testify.

Detention Center Fund 11

Detention Center fund revenue projections are based on state funds received for DOC inmates, Transitional Work Program (TWP) and miscellaneous income. The UPDC is a facility that is mandated by Louisiana State law as a service that must be provided by each parish. The Union Parish Detention Center is under the control of the Union Parish Detention Center Commission. The Union Parish Detention Center Commission members include the president of the Union Parish Police Jury, one additional police juror, Union Parish Sheriff, District Attorney and the Farmerville Chief of Police. The Secretary of the Union Parish Police Jury may serve as secretary of the commission and the Union Parish Treasurer may serve as ex officio treasurer of the commission. The Union Parish Detention Center Commission shall be the keeper of the Union Parish Detention Center. Unfortunately, there was no tax established when the Union Parish Detention Center was built. The Detention Center has struggled financially over the years, but the Transitional Work Release Program is slowly helping to turn the financial instability around.

The Detention Center is still feeling the pain from the State of Louisiana's mandated release of inmates early last year. The previous warden, Gary Copes, suggested several ways the Detention Center could save money. There was a large sum of money in the Inmate Welfare Account. The monies accumulated in this account are from the telephone and commissary sales. Mr. Copes suggested that the jury be reimbursed for transportation, commissary workers and visitation workers out of this money. The legality was confirmed and those employees are now being reimbursed through Inmate Welfare. The Detention Center has been without a Warden since August so there have been some savings by not having that expense.

Primary Salary (011.5.410.11000)

The Union Parish Detention Center Commission has hired a new Warden. He will take over January 2, 2018. His salary will be \$72,000 a year, a vehicle with fuel and the usual benefits. I have budgeted \$75,000 for the possibility of a raise.

Professional Fees (011.5.410.15000)

As with all the other funds, professional fees have increased due to the AUP audit and payroll processing fees. The Detention Center has the highest payroll processing fees due to the high turnover, high absenteeism which results in more paperwork, more employees have supplemental insurance policies and a larger number of employees. Last year the budget was \$7,500 and for 2019 the budget has increased to \$25,000.

Materials & Supplies – Building and Grounds (011.5.410.29000)

The unexpected cost of the roof repair put the Detention Center over budget by \$75,000. This was an unusual expense, so I have left the budget at \$95,000 for the year.

Food (011.5.410.38000)

In the past the Detention Center has struggled with food costs. The food costs have been averaging around \$26,000 a month. This is down from last year's average of \$29,000. The budget is \$310,000 and we should exceed that by \$2,000.00. The reduction in food costs could be due to the reduction in inmates or the change in vendors.

Health Insurance (011.5.410.640000)

Currently there are 44 employees on health insurance.

Health Unit Fund 12

Health Unit Fund Revenue projections are based on interest received from their investment account. On October 24, 2015 the voters of Union Parish rejected a millage renewal. At the end of October 2018, the Health Unit had \$459,540.94 invested with the Louisiana Asset Management Pool, Inc. (LAMP). As of November 18, 2018, the actual cash in bank balance for the Health Unit is \$475,486.54. The total cash in bank and investments are \$935,027.48. Every effort is being made to keep expenses down. The Police Jury is responsible for the building, utilities, a few office supplies and three employees (a certified nurse's assistant and two receptionists). At some point it may be necessary to present a tax proposal to the voters of Union Parish or eliminate a position. Once the health unit has exhausted their funds the monies to operate the facility will come out of the general fund.

- 2015 Expenses \$147,285.43
- 2016 Expenses \$150,925.32
- 2017 Expenses \$144,936.34
- 2018 Expenses to date \$117,941.11

Sales Tax – Landfill Fund 13

Sales Tax Revenue projections are based on taxes collected, garbage collection, tipping fees and miscellaneous revenues. A special election was held on Saturday April 30, 1983 to authorize the levy and collection of a one (1) % sales tax to be dedicated and used first for the purpose of paying the costs of constructing, acquiring, improving, maintaining and operating solid waste collection and disposal facilities and collecting and disposing of litter and other loose garbage and closing garbage dumps within the parish. On June 14, 1983 Ordinance 349 was introduced by Edward T. Phillips and seconded by James D. Bennett and adopted unanimously by the Union Parish Police Jury.

Professional Fees (013.5.441.15000)

As with all the other funds, professional fees have increased due to the AUP audit and payroll processing fees.

Office Equipment (013.5.441.42000)

Please note that the Paradigm equipment for the landfill came out of this line item. This was equipment for the new/old scale house and included computers and software. This should not be an expense next year.

Retiree Health Insurance (013.5.441.65000)

Just one ... Max Taunton

Land Acquisition and Improvements (013.5.441.84000)

Mr. Taylor has contacted Weyerhaeuser regarding the purchase of 80 acres adjoining the Union Parish Landfill. I have estimated \$2,500 per acre. (\$200,000.00)

Contract (013.5.441.85000)

Mr. Dumas supplied me with a list of projects that the landfill is in need of. Some of these projects were carried forward from last year. Mr. Dumas is anticipating spending approximately \$1,850,000. The projects include: (1) waste water treatment improvements and (2) permit modification for new landfill areas on 100 acres. Richard Phelps, Landfill Superintendent, has reviewed the budget and Mr. Dumas' proposals.

Financial Assurance (013.5.441.99000)

This amount was increased last year to \$550,000 at the suggestion of Mr. Dumas. It will stay the same for 2019.

Appropriation to General Fund (013.5.695.09000)

This is the transfer for the Detention Center. Please see detailed explanation under the General Fund.

Litter Court Fund 15

Litter Court Revenue projections are based on fines collected. There was an issue discovered in the summer. I noticed that the Litter Court Revenues had been declining since 2016. For 2018 there has been very little revenue generated from tickets. After a brief discussion with a Justice of the Peace I discovered that whatever cash was received in litter court was being disbursed amongst the JP's and Constables. It was not being run through the jury as it is mandated. I consulted with Trevor Frye, Gold Weems Attorney. He asked that I notify the District Attorney and let the Justice of the Peace know that moving forward all ticket revenue has to come through the jury. I have had no other issues.

Union Parish Communication District – 911 Fund 17

Union Parish Communication District Revenue projections are based on taxes collected on prepaid cell phones, cell phones and landlines.

Other Salary (017.5.400.12000)

This figure is based on four full time employees and four part-time employees.

Material and Supplies – Building (017.5.400.32000)

In May of this year 911 had an unexpected expense when their generator went down. \$6,107.88 was spent out of Materials and Supplies. This was an unusual occurrence and I did not budget for that amount in 2019.

Health Insurance (017.5.400.64000)

This figure allows for five full time employees to receive health insurance. Danny has talked about moving a part time to full time.

Collections – Sales Tax Fund 19

Collections – Sales Tax Revenue comes from the Sales Tax/Landfill fund. Monies are allocated in the budget to be transferred from Fund 13 (Sales Tax – Landfill) on an as needed basis.

Retiree Health Insurance (019.5.441.65000)

Stanley Glosson

HUD – Section 8

This program is federally funded. HUD director, Sharon Dixson, prepares her own budget.

Homeland Security

Up until last year this account was kept in a separate checking account. In order to be more transparent and have a better audit trail this account is now being utilized in the Master Account. The police jury is paying for the Homeland Security Director's salary up front and then being reimbursed by GOHSEP.

Conclusion

During the budget process I met with the Road Superintendent, Landfill Superintendent, 911 Communications Director and the Union Parish Detention Center Business Manager. Each of the department heads were given an opportunity to contribute to the budget process. I compared the previous year's budgets and the actual expenditures for the last three years. I have tried to create a budget that accurately reflects the needs displayed over that time period, project it for the coming year and allow for contingencies. It is my duty to be a good steward of the parish's money and I do not take that responsibility lightly.

*Paula Strickland
Secretary/Treasurer
Union Parish Police Jury*