

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

FINANCIAL REPORT

December 31, 2021

HILL, INZINA & COMPANY

Certified Public Accountants • A Professional Corporation
701 East Madison Avenue • Bastrop, Louisiana 71220
Telephone 318-281-4492 • Fax 318-281-4087 • E-mail hillinzina@bellsouth.net

C O N T E N T S

	Page(s)
INDEPENDENT AUDITOR'S REPORT	1 - 4
REQUIRED SUPPLEMENTARY INFORMATION (Part 1 of 2)	
Management's discussion and analysis	5 - 9
BASIC FINANCIAL STATEMENTS	
Government-wide financial statements:	
Statement of net position - primary government - governmental activities	10
Statement of activities - primary government - governmental activities	11
Fund financial statements:	
Balance sheet - governmental funds	12
Statement of revenues, expenditures, and changes in fund balances - governmental funds	13 and 14
Reconciliation of governmental funds balance sheet to government-wide statement of net position	15
Reconciliation of governmental funds statement of revenues, expenditures, and changes in fund balances to government-wide statement of activities	16
Notes to financial statements	17 - 38
REQUIRED SUPPLEMENTARY INFORMATION (Part 2 of 2)	
Budgetary comparison schedules - governmental funds:	
Schedule of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - governmental fund - general fund	39 and 40
Schedule of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - governmental fund - road maintenance fund	41
Schedule of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - governmental fund - drainage maintenance fund	42
Schedule of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - governmental fund - health unit fund	43
Schedule of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - governmental fund - library fund	44
Note to budgetary comparison schedules	45

	Page(s)
Schedule of proportionate share of net pension liability - Parochial Employees' Retirement System of Louisiana ("PERSLA") (Plan A)	46
Schedule of contributions	47
 OTHER SUPPLEMENTARY INFORMATION	
Combining financial statements:	
Combining balance sheet - non-major governmental funds	48
Combining statement of revenues, expenditures, and changes in fund balances - non-major governmental funds	49
Schedule of jurors' compensation	50
Schedule of compensation, benefits, and other payments to agency head	51
Justice system funding schedule	52
 INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	 53 and 54
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION	 55 - 57
 SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS	 58
 INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES WITH MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION	

HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Jury's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse and Unmodified Opinions" section of this report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Jury, as of December 31, 2021, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Each Major Fund, and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Jury as of December 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of this report. We are required to be independent of the Jury, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

-1-

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for all of the Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Jury's primary government unless the Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units' financial statements has not been determined.

Management's Responsibilities 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jury's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- * Exercise professional judgment and maintain professional skepticism throughout the audit.

* Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

* Obtain an understanding of internal control relevant to the audit 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 Jury's internal control. Accordingly, no such opinion is expressed.

* Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

* Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jury's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of net pension liability, and schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jury's basic financial statements. The combining financial statements, schedules of compensation, and justice system funding schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, schedules of compensation, and justice system funding schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2022, on our consideration of the Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jury's 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 Jury's internal control over financial reporting and compliance.

/s/ Hill, Inzina & Co.

May 26, 2022

REQUIRED SUPPLEMENTARY INFORMATION (Part 1 of 2)

RICHLAND PARISH POLICE JURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the Year Ended December 31, 2021

As management of Richland Parish Police Jury (the "Jury"), we offer readers of the financial statements of the Jury's primary government this narrative overview and analysis of the financial activities of the Jury for the fiscal year ended December 31, 2021. This discussion and analysis of management is designed to provide an objective and easy-to-read analysis of the Jury's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Jury's finances. It is also intended to provide readers with an analysis of the short-term and long-term activities of the Jury based on information presented in the financial report and fiscal policies that have been adopted by the Jury. Specifically, this section is designed to assist the readers in focusing on significant financial issues, provide an overview of the Jury's financial activity, identify changes in the Jury's financial position (its ability to address the next and subsequent years' challenges), identify any material deviations from the financial plan (the approved budget), and identify individual issues or concerns of individual funds.

As with other sections of this financial report, the information contained within this discussion and analysis of management should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and supplementary information that are provided in addition to this discussion and analysis of management.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Jury's financial statements. The Jury's basic financial statements consist of the following components:

1. Government-wide financial statements.
2. Fund financial statements.
3. Notes to financial statements.

In addition to the basic financial statements, the Jury also includes in a subsequent section of this report additional information to supplement the basic financial statements.

1. Government-wide financial statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which government financial statements are presented. It provides readers with a concise "entity-wide" statement of net position and statement of activities, seeking to give the users of the financial statements a broad overview of the Jury's financial position and results of operations in a manner similar to a private-sector business.

The statement of net position presents information on all of the Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies, with the elimination of internal activities. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is 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 Jury is improving or weakening. Evaluation of the overall economic health of the Jury would extend to other nonfinancial factors in addition to the financial information provided in this report.

The statement of activities presents information detailing how the Jury's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of this statement is to show the financial reliance of the Jury's distinct activities or functions on revenues provided by the citizenry of the parish.

The government-wide financial statements report governmental activities of the Jury that are principally supported by taxes and intergovernmental revenues. Governmental activities include general government, public safety, public works, health and welfare, culture and recreation, economic development and assistance, and capital outlay.

2. Fund financial statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Jury uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Jury's most significant funds rather than the Jury as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The Jury has only one fund type. Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Jury's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and commitment of spendable resources for the near-term.

As the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. A reconciliation from both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances to the government-wide statements is provided to assist in understanding the differences between these two perspectives.

3. Notes to financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Government-Wide Financial Analysis

The following provides a summary of the net position of the Jury's governmental activities as of December 31:

	<u>2021</u>	<u>2020</u>
Other assets	\$ 14,234,987	\$ 9,866,247
Capital assets	<u>4,644,503</u>	<u>4,833,193</u>
Total assets	<u>\$ 18,879,490</u>	<u>\$ 14,699,440</u>
Deferred outflows of resources	<u>\$ 542,084</u>	<u>\$ 467,325</u>
Other liabilities	<u>\$ 2,490,205</u>	<u>\$ 498,809</u>
Deferred inflows of resources	<u>\$ 3,570,829</u>	<u>\$ 3,509,503</u>
Net position:		
Net investment in capital assets	\$ 4,644,503	\$ 4,833,193
Restricted for special revenue	9,750,308	5,249,179
Unrestricted (deficit)	<u>(1,034,271)</u>	<u>1,076,081</u>
Total net position	<u>\$ 13,360,540</u>	<u>\$ 11,158,453</u>

As noted earlier, net position may serve over time as a useful indicator of the Jury's financial position. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Jury's ability to use that net position for day-to-day operations. The Jury will use the unrestricted net position to meet the ongoing obligations to users of its services and creditors.

The following provides a summary of the Jury's net position changes between the two years ended December 31:

	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 310,150	\$ 240,297
Operating grants and contributions	1,124,601	2,153,102
General revenues:		
Taxes	8,019,705	7,346,246
Intergovernmental	818,930	591,369
Unrestricted investment earnings and miscellaneous	107,814	238,362
Total revenues	<u>\$ 10,381,200</u>	<u>\$ 10,569,376</u>
Expenses:		
General government	\$ 1,202,363	\$ 1,446,453
Public safety	338,125	313,034
Public works	5,134,447	4,697,674
Health and welfare	305,587	295,586
Culture and recreation	1,089,449	975,944
Economic development and assistance	99,900	2,153,102
Debt service interest	9,244	9,099
Total expenses	<u>\$ 8,179,115</u>	<u>\$ 9,890,892</u>
Change in net position	\$ 2,202,085	\$ 678,484
Net position - beginning	11,158,455	10,610,017
Prior period adjustment	<u>-</u>	<u>(130,048)</u>
Net position - ending	<u>\$ 13,360,540</u>	<u>\$ 11,158,453</u>

The Jury's total revenues decreased by \$188,176 and expenses also decreased by \$1,711,777. Expenditures decreased because Louisiana CARES funding was expended (passed on to other local governmental entities) in 2020.

Program revenues derive directly from the program itself or from parties outside the Jury's taxpayers or citizenry. As a whole, they reduce the cost of the function to be financed from the Jury's general revenues. General revenues are used to pay for governmental activities whose cost is not reduced by program revenues. The Jury was heavily reliant on general revenues to support governmental operations for both years.

Public works was the Jury's largest expenditure function for both years using significant tax-based (general revenue) for funding.

Financial Analysis of Governmental Funds

The Jury's major governmental funds and related fund balances as of December 31 were:

	<u>2021</u>	<u>2020</u>
General	\$ 2,011,741	\$ 928,785
Road Maintenance	1,592,066	909,604
Drainage Maintenance	573,948	340,342
Health Unit	965,340	898,265
Library	3,813,426	3,773,791

Determination of the Jury's major governmental funds are made for each audit period. \$7,082,040 of the fund balances of the governmental funds as of December 31, 2021 were restricted for special revenue.

Budgetary Highlights

Budgets for all required funds were adopted for the year ended December 31, 2021 which complied with financial policies approved by the jurors and maintained core Jury services. There were two unfavorable budget variances exceeding 5% or more in the major funds for the year ended December 31, 2021.

Capital Assets and Debt Administration

The Jury's capital asset additions during the current fiscal year costing \$139,950 were purchased with available funds. Depreciation of capital assets of \$328,640 for the year ended December 31, 2021 was recorded in the governmental activities of the government-wide financial statements.

During the year ended December 31, 2018, the Jury incurred \$350,000 of long-term debt from tax revenue bonds to finance the construction of the courthouse facility annex. The bonds are secured with a pledge of a portion of the sales taxes collected in the parish for the Jury. The outstanding long-term liabilities are recorded in the government-wide financial statements.

Economic Factors and Next Year's Budget

As adopted, the 2022 original combined budget had revenues totaling \$15,325,209 compared to the 2021 original budget of \$12,050,968 while combined expenditures of \$13,821,719 were initially budgeted for 2022.

Requests for Information

This financial report is designed to provide a general overview of the Jury's financial picture for all those with an interest in the Jury's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Secretary/Treasurer, P.O. Box 668, Rayville, Louisiana 71269-0668.

BASIC FINANCIAL STATEMENTS

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF NET POSITION - PRIMARY GOVERNMENT -
GOVERNMENTAL ACTIVITIES
December 31 , 2021

ASSETS	
Cash	\$ 9,693,589
Certificates of deposit	1,576,500
Receivables	2,430,166
Net pension asset	534,732
Capital assets:	
Land	311,523
Other capital assets, net of depreciation	<u>4,332,980</u>
Total assets	<u>\$ 18,879,490</u>
DEFERRED OUTFLOWS OF RESOURCES	
Resources related to pensions	<u>\$ 542,084</u>
LIABILITIES	
Accounts payable	\$ 172,278
Payroll accruals and withholding	62,028
Deferred revenue	1,954,232
Deposits held for others	10,000
Long-term liabilities other than pensions:	
Due in one year	23,333
Due in more than one year	<u>268,334</u>
Total liabilities	<u>\$ 2,490,205</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes	\$ 2,407,936
Resources related to pensions	<u>1,162,893</u>
Total deferred inflows of resources	<u>\$ 3,570,829</u>
NET POSITION	
Net investment in capital assets	\$ 4,644,503
Restricted for special revenue	9,750,308
Unrestricted (deficit)	<u>(1,034,271)</u>
Total net position	<u>\$ 13,360,540</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2021

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
ASSETS			
Cash	\$ 2,888,240	\$ 2,271,811	\$ 569,817
Certificate of deposit	529,461	-	-
Receivables	1,277,981	22,406	-
Due from other funds	<u>581,695</u>	<u>1,150</u>	<u>12,516</u>
Total assets	<u>\$ 5,277,377</u>	<u>\$ 2,295,367</u>	<u>\$ 582,333</u>
LIABILITIES			
Accounts payable	\$ 17,605	\$ 99,090	\$ 8,385
Payroll accruals and withholdings	62,028	-	-
Deferred revenue	1,954,232	-	-
Deposits held for others	-	10,000	-
Due to other funds	<u>-</u>	<u>594,211</u>	<u>-</u>
Total liabilities	<u>\$ 2,033,865</u>	<u>\$ 703,301</u>	<u>\$ 8,385</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	<u>\$ 1,231,771</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE			
Restricted for special revenue	\$ -	\$ 1,592,066	\$ 573,948
Unassigned	<u>2,011,741</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 2,011,741</u>	<u>\$ 1,592,066</u>	<u>\$ 573,948</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,277,377</u>	<u>\$ 2,295,367</u>	<u>\$ 582,333</u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 985,007	\$ 2,831,041	\$ 147,673	\$ 9,693,589
-	1,047,039	-	1,576,500
255,141	872,280	2,358	2,430,166
<u>-</u>	<u>-</u>	<u>-</u>	<u>595,361</u>
<u>\$ 1,240,148</u>	<u>\$ 4,750,360</u>	<u>\$ 150,031</u>	<u>\$ 14,295,616</u>
\$ 8,636	\$ 26,941	\$ 11,621	\$ 172,278
-	-	-	62,028
-	-	-	1,954,232
-	-	-	10,000
-	-	1,150	595,361
<u>\$ 8,636</u>	<u>\$ 26,941</u>	<u>\$ 12,771</u>	<u>\$ 2,793,899</u>
<u>\$ 266,172</u>	<u>\$ 909,993</u>	<u>\$ -</u>	<u>\$ 2,407,936</u>
\$ 965,340	\$ 3,813,426	\$ 137,260	\$ 7,082,040
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,011,741</u>
<u>\$ 965,340</u>	<u>\$ 3,813,426</u>	<u>\$ 137,260</u>	<u>\$ 9,093,781</u>
<u>\$ 1,240,148</u>	<u>\$ 4,750,360</u>	<u>\$ 150,031</u>	<u>\$ 14,295,616</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
Revenues:			
Taxes	\$ 1,176,755	\$ 3,438,000	\$ 1,793,739
Licenses and permits	202,560	-	-
Intergovernmental	988,964	416,835	-
Fees, charges, and commissions for services	40,779	21,694	1,917
Fines and forfeitures	3,584	-	-
Interest and miscellaneous	24,354	16,122	8,132
Total revenues	<u>\$ 2,436,996</u>	<u>\$ 3,892,651</u>	<u>\$ 1,803,788</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 259,120	\$ -	\$ -
Judicial	93,514	-	-
Elections	46,784	-	-
Finance and administrative	327,593	-	-
Other	112,728	-	-
Public safety	335,340	-	-
Public works	-	3,070,239	1,570,183
Health and welfare	79,061	-	-
Culture and recreation	-	-	-
Economic development and assistance	99,900	-	-
Debt service	-	-	-
Capital outlay	-	139,950	-
Total expenditures	<u>\$ 1,354,040</u>	<u>\$ 3,210,189</u>	<u>\$ 1,570,183</u>

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 254,603	\$ 982,912	\$ 373,696	\$ 8,019,705
-	-	-	202,560
10,944	85,890	440,898	1,943,531
-	6,647	-	71,037
-	8,347	22,965	34,896
7,739	19,340	8,145	83,832
<u>\$ 273,286</u>	<u>\$ 1,103,136</u>	<u>\$ 845,704</u>	<u>\$ 10,355,561</u>

\$ -	\$ -	\$ -	\$ 259,120
-	-	33,562	127,076
-	-	-	46,784
-	-	-	327,593
-	-	297,384	410,112
-	-	-	335,340
-	-	440,898	5,081,320
206,211	-	-	285,272
-	1,063,502	-	1,063,502
-	-	-	99,900
-	-	32,577	32,577
-	-	-	139,950
<u>\$ 206,211</u>	<u>\$ 1,063,502</u>	<u>\$ 804,421</u>	<u>\$ 8,208,546</u>

(continued)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (Continued)
For the Year Ended December 31, 2021

	<u>General</u>	Road <u>Maintenance</u>	Drainage <u>Maintenance</u>
Net changes in fund balances	\$ 1,082,956	\$ 682,462	\$ 233,605
Fund balances - beginning	<u>928,785</u>	<u>909,604</u>	<u>340,343</u>
Fund balances - ending	<u>\$ 2,011,741</u>	<u>\$ 1,592,066</u>	<u>\$ 573,948</u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 67,075	\$ 39,634	\$ 41,283	\$ 2,147,015
<u>898,265</u>	<u>3,773,792</u>	<u>95,977</u>	<u>6,946,766</u>
<u>\$ 965,340</u>	<u>\$ 3,813,426</u>	<u>\$ 137,260</u>	<u>\$ 9,093,781</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2021

Total fund balances - governmental funds balance sheet	\$ 9,093,781
Amounts reported for governmental activities in statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,644,503
Net pension asset does not provide the use of current financial resources and therefore is not reported in the funds.	534,732
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(291,667)
Net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>(620,809)</u>
Total net position of governmental activities - government-wide statement of net position	<u>\$ 13,360,540</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
December 31, 2021

Net changes in fund balances - governmental funds	\$ 2,147,015
Amounts reported for governmental activities in statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$328,640) exceeded capital outlay (\$139,950) in the current period.	(188,690)
Proportionate share of non-employer contributions to pension plans do not provide current financial resources and are not reported as revenue in the governmental funds.	25,639
Long-term debt principal payments are reported as current expenditures in the governmental funds while reported as decreases in debt in the statement of net position.	23,333
Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the proportionate share of the plans' pension expense is reported as such.	<u>194,788</u>
Changes in net position of governmental activities - government-wide statement of activities	<u>\$ 2,202,085</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2021

Note 1. Organization and Summary of Significant Accounting Policies

Richland Parish Police Jury (the "Jury") is the governing authority for Richland Parish and is a political subdivision of State of Louisiana. The Jury is governed by nine compensated jurors representing, by election, the various districts within the parish. The jurors serve four-year terms that will expire on December 31, 2024.

Louisiana Revised Statute 33:1236 gives the Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the powers to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and 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 in part is provided by property taxes, sales taxes, severance taxes, permits, state revenue sharing, and various other state and federal grants.

The parish is located in northeast Louisiana and its population is 20,725. Approximately 575 miles of roads are maintained by the parish. The Jury employs approximately 75 people.

In accomplishing its objectives, the Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, and health care facilities.

The more significant of the Jury's accounting policies are described below:

Financial Reporting Entity:

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

NOTES TO FINANCIAL STATEMENTS

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

1. Appointing a voting majority of an organization’s governing body, and
 - a. the ability of the Jury to impose its will on that organization and/or,
 - b. the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Jury.

2. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the Jury.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Richland Parish Hospital Service		
Districts No. 1, 1A, 1B, and 1C	9-30	1 and 2
Start-Girard Fire Protection District	12-31	3
Archibald-Alto Fire Protection District	12-31	3
Holly Ridge Fire Protection District	12-31	3
Mangham Fire Protection District	12-31	3
Richland Parish Communications District	12-31	1
Richland Parish Fire Protection District No. 8	12-31	3
Ward One Rural Fire Protection District	12-31	3

NOTES TO FINANCIAL STATEMENTS

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 (Jury's) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. 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 (Jury).

Also considered in the determination of component units of the reporting entity were Richland Parish Sheriff, Richland Parish Clerk of Court, Richland Parish Tax Assessor, Richland Parish Sales and Use Tax Commission, Richland Parish School Board, District Attorney and Judges for the Fifth Judicial District, and the various municipalities and nonprofit entities in the parish. It was determined that these governmental and nonprofit entities are not component units of Richland Parish Police Jury reporting entity. These entities have separately elected governing bodies, are legally separate, and are fiscally independent of the Jury. They are considered by the Jury to be separate autonomous entities and issue financial statements separate from those of Richland Parish Police Jury reporting entity.

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net position and the statement of activities that report financial information for the primary government (Jury). Individual funds are not displayed but the statements report governmental activities, generally supported by taxes and intergovernmental revenues. The Jury has no business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report licenses, permits, fees, fines, forfeitures, and other charges to users of the Jury's services; (2) operating grants and contributions which finance annual operating activities; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

NOTES TO FINANCIAL STATEMENTS

Fund Financial Statements:

Fund financial statements are provided for governmental funds with major individual governmental funds reported in separate columns and a composite column for non-major governmental funds.

Basis of Accounting, Measurement Focus, and Financial Statement Presentation:

The financial statements of the Jury are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Jury considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest related to long-term debt, as well as expenditures related to compensated absences, which are reported as expenditures in the year due. This same measurement focus and basis of accounting is used to calculate expenditures of federal awards.

Major revenue sources susceptible to accrual are property taxes, gross receipts taxes, intergovernmental revenues, and fines and forfeitures. In general, other revenues are recognized when cash is received.

NOTES TO FINANCIAL STATEMENTS

Fund Types and Major Funds:

The Jury reports the following major governmental funds:

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

Road Maintenance Fund - constructing, maintaining, and repairing public roads and bridges in the parish and for acquiring, maintaining, and/or operating road machinery and equipment.

Drainage Maintenance Fund - maintaining drainage canals and ditches in the parish and for acquiring, maintaining, and/or operating drainage machinery equipment.

Health Unit Fund - maintaining the public health unit.

Library Fund - maintaining the public libraries.

Budgets and Budgetary Accounting:

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer prior to December 31 of each year. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. Notice of the location and the availability of the proposed budgets for public inspection and the date of the public hearing to be conducted on the budgets are then advertised in the official journal of the Jury. Prior to its regular December meeting, the Jury conducts a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Jury as a whole. The budgets are then adopted during a December meeting and notice of adoption, that includes budget summaries, is published in the official journal.

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

NOTES TO FINANCIAL STATEMENTS

The Jury adopted annual budgets for all of the governmental funds on December 7, 2020. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. All budget amendments were approved by the Jury. The budgetary comparison schedules included in the accompanying financial statements include the original and final adopted budgets. Amending the budgets to actual cash amounts at each December 31 is the common practice of the Jury and such was approved by the Jury on November 8, 2021. All annual appropriations lapse at fiscal year end.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Certificates of Deposit:

Cash includes amounts in demand deposits. Under state law, the Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

State law allows the Jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. If the original maturities of time deposits exceed 90 days, they are classified as certificates of deposit; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Nonparticipating investment contracts, generally certificates of deposit, are reported at cost, which approximates market value.

Receivables:

Significant receivables include property tax revenues.

Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. Jury's management is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

NOTES TO FINANCIAL STATEMENTS

Interfund Transactions:

Activity between funds that are representative of lending/borrowing arrangements and other miscellaneous receivables/payables outstanding at the end of the fiscal year are reported as due to/from other funds (i.e. the current portion of interfund loans) in the fund financial statements.

Transfers and payments within the reporting entity that are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis are reported as operating transfers between funds of the reporting entity. Nonrecurring or nonroutine permanent transfers of net position are reported as residual equity transfers.

Interfund transactions are eliminated in the government-wide financial statements while all are reported in the fund financial statements.

Capital Assets and Depreciation:

Capital assets, which include property, plant, and equipment, with useful lives of more than one year, are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are stated at fair value on the date of donation. The Jury generally capitalizes individual infrastructure assets with cost of \$100,000 or more and all other assets with cost of \$2,500 or more as purchase and construction outlays occur.

The costs of normal maintenance and repairs not adding to an asset's value or materially extending its useful life are not capitalized. Upon disposition of capital assets, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

As surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	20 - 40 years
Machinery and equipment	5 - 15 years

NOTES TO FINANCIAL STATEMENTS

Accumulated Compensated Absences:

All employees of the Jury, except for those of the Library, do not accumulate annual leave and sick pay but earn paid time off (“PTO”) depending on the length of their employment. Employees either use their PTO during the year or forfeit any remaining time at each year’s end.

No liability for accumulated compensated absences was recorded in the government-wide financial statements.

Employees of the Library earn from ten to 25 days of annual leave each anniversary year of employment, depending upon professional status. Up to one-half of one year’s annual leave may be accumulated with any excess being forfeited. Upon termination of employment with at least one year of continuous service, employees may be paid for accumulated annual leave at their current rate of pay. Employees earn 14 days of sick leave each year and may accumulate up to 45 days. Employees are not paid for nonvesting accumulated sick leave upon termination of employment.

The Jury’s recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees’ rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

NOTES TO FINANCIAL STATEMENTS

2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Estimated accrued compensated absences resulting from unused annual leave for employees of the Library are considered immaterial at the end of the fiscal year and therefore are not recorded in the government-wide financial statements.

Compensated absences are paid from the fund responsible for the employee's compensation.

Accrued salaries earned by the employees of the Jury as of December 31, 2021 are considered immaterial and therefore no liability have been recorded in the government-wide or fund financial statements.

Pension:

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System of Louisiana (the "Plan"), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows/Outflows of Resources:

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expenditure until then. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Jury's deferred outflows and deferred inflows are resources related to property taxes and pensions.

NOTES TO FINANCIAL STATEMENTS

Equity Classifications:

In the government-wide financial statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - consists of capital assets, net of accumulated depreciation.
2. Restricted - consists of net assets with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted - consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental fund equity is classified as fund balance. These statements provide more clearly defined fund balance categories to make the nature and extent of the constraints placed on the Jury's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Nonspendable - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
2. Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
3. Committed - amounts constrained to specific purposes by the Jury itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Jury takes the same highest level action to remove or change the constraint;
4. Assigned - amounts that the Jury intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
5. Unassigned - amounts that are available for any purpose; positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available for use, the Jury normally uses restricted resources first, then unrestricted resources as needed.

NOTES TO FINANCIAL STATEMENTS

Revenue Recognition - Property and Sales/Use Taxes:

Property taxes attach as an enforceable lien on property as of the date of the tax rolls are filed with the recorder of mortgages which, by law, must be on or before November 15 of each year. Billed taxes become delinquent on January 1 of the following year. Richland Parish Sheriff bills and collects the Jury's property taxes using the assessed values determined by Richland Parish Tax Assessor.

Sales/use taxes collected and held by other governments at year end on behalf of the Jury and those collected by other governments and remitted to the Jury within 60 days after December 31 for preceding months are recognized as revenue. The sales/use taxes are collected by Richland Parish Sales and Use Tax Commission and remitted to the Jury.

Note 2. Deposits with Financial Institutions

The following is a summary of cash and certificates of deposit (book balances) held by the Jury as of December 31, 2021:

Interest bearing demand deposits	\$ 9,681,989
Non-interest bearing demand deposits	11,430
Certificates of deposit	1,576,500
Petty cash	<u>170</u>
	<u>\$ 11,270,089</u>

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities were held in the name of the pledging fiscal agent bank in a holding or custodial bank that was mutually acceptable to both parties.

As of December 31, 2021, the Jury had \$11,281,825 in deposits (collected bank balances). These deposits were secured from risk by \$750,000 of federal deposit insurance and \$10,531,825 of pledged securities held by B1 Bank, Winnsboro State Bank & Trust, and Cross Keys Bank.

There were no repurchase or reverse repurchase agreements as of December 31, 2021. The Jury has formally adopted deposit and investment policies that limit the Jury's allowable deposits or investments and address the specific types of risk to which the Jury is exposed.

NOTES TO FINANCIAL STATEMENTS

Note 3. Receivables

A summary of receivables as of December 31, 2021 is as follows:

	<u>General</u>	<u>Road Maintenance</u>	<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Property taxes	\$ 1,185,683	\$ -	\$ 255,141	\$ 872,280	\$ -	\$ 2,313,104
Franchise fees	1,022	-				1,022
Intergovernmental:						
Beer taxes	2,269	-	-	-	-	2,269
Parish Transportation Act	-	22,406	-	-	-	22,406
Severance taxes	62,671	-	-	-	-	62,671
Federal grants	7,322	-	-	-	-	7,322
Other	179	-	-	-	2,000	2,179
Fees, charges, and commissions for services	17,483	-	-	-	-	17,483
Fines and forfeitures	1,352				358	1,710
Interest and miscellaneous	-	-	-	-	-	-
	<u>\$ 1,277,981</u>	<u>\$ 22,406</u>	<u>\$ 255,141</u>	<u>\$ 872,280</u>	<u>\$ 2,358</u>	<u>\$ 2,430,166</u>

(This page intentionally printed in this format due to spacing restrictions.)

NOTES TO FINANCIAL STATEMENTS

Note 4. Taxes

The following is a summary of authorized and levied property taxes for the year ended December 31, 2021:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General corporate purposes	10.74	8.88	Perpetual
Health unit	1.25	1.17	2028
Library	4.75	4.52	2028

Total property taxes levied were \$2,407,936 for the above millages. As of December 31, 2021, property taxes receivable was \$2,313,104.

The following were the principal property taxpayers for Richland Parish as a whole:

<u>Taxpayer</u>	<u>Total Assessed Valuation</u>
Southeast Supply Header	\$ 13,217,400
Lamb Weston, Inc.	10,320,580
Gulf South Pipeline Co., LLC	9,368,650
ETC Tiger Pipeline, LLC	8,103,180
Denbury Onshore, LLC	8,182,370

For the year ended December 31, 2021, sales taxes that expire on December 31, 2024 were levied as follows:

<u>Rate</u>	<u>Purpose</u>
78% of 1%	constructing, overlaying, improving, repairing, and maintaining public roads and bridges
14% of 1%	purchase and maintenance of equipment used for constructing, overlaying, improving, repairing, and maintaining public roads and bridges
8% of 1%	maintenance of courthouse
71% of ½%	constructing, improving, and maintaining public drains and drainage facilities
25% of ½%	purchase and maintenance of equipment used in constructing, improving, and maintaining public drains and drainage facilities
4% of ½%	maintenance of courthouse

NOTES TO FINANCIAL STATEMENTS

Note 5. Capital Assets and Depreciation

Capital assets and depreciation activity as of and for the year ended December 31, 2021 for the governmental activities is as follows:

	Balance - January 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance - December 31, <u>2021</u>
Capital assets not being depreciated:				
Land	\$ 311,523	\$ -	\$ -	\$ 311,523
Capital assets being depreciated:				
Infrastructure	\$ 599,388	\$ -	\$ -	\$ 599,388
Buildings and improvements	4,930,957	-	-	4,930,957
Machinery and equipment	<u>5,105,631</u>	<u>139,950</u>	<u>-</u>	<u>5,245,581</u>
Total capital assets being depreciated	<u>\$10,635,976</u>	<u>\$ 139,950</u>	<u>\$ -</u>	<u>\$10,775,926</u>
Less accumulated depreciation for:				
Infrastructure	\$ 71,722	\$ 15,369	\$ -	\$ 87,091
Buildings and improvements	1,787,763	61,096	-	1,848,859
Machinery and equipment	<u>4,254,821</u>	<u>252,175</u>	<u>-</u>	<u>4,506,996</u>
Total accumulated depreciation	<u>\$ 6,114,306</u>	<u>\$ 328,640</u>	<u>\$ -</u>	<u>\$ 6,442,946</u>
Total capital assets being depreciated, net	<u>\$ 4,521,670</u>	<u>\$ (188,690)</u>	<u>\$ -</u>	<u>\$ 4,332,980</u>

NOTES TO FINANCIAL STATEMENTS

Depreciation expense of the Jury for the year ended December 31, 2021 was charged to the following governmental functions:

General government	\$ 52,230
Public safety	2,785
Public works	179,787
Health and welfare	27,971
Culture and recreation	<u>65,867</u>
	<u>\$ 328,640</u>

Note 6. Long-Term Debt

During the year ended December 31, 2018, the Jury incurred \$350,000 of long-term debt from tax revenue bonds to finance the construction of the courthouse facility annex. The bonds are secured with a pledge of a portion of the sales taxes collected in the parish for the Jury.

The principal balance of the long-term debt as of January 1, 2021 was \$315,000 with \$23,333 being retired during the year ended December 31, 2021. The current (due within one year) and long-term (due in more than one year) portions of the long-term debt of the governmental activities as of December 31, 2021 are \$23,333 and \$268,334, respectively.

The bonds bear interest at 2.99%, interest is due monthly beginning in January 2019, and principal is payable June and December of each year, beginning December 1, 2019.

The annual requirements to amortize the bonds and interest as of December 31, 2021 are:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 23,333	\$ 8,546	\$ 31,879
2023	23,333	7,849	31,182
2024	23,333	7,151	30,484
2025	23,333	6,453	29,786
2026	23,333	5,756	29,089
Thereafter	<u>175,002</u>	<u>20,930</u>	<u>195,932</u>
	<u>\$ 291,667</u>	<u>\$ 56,685</u>	<u>\$ 348,352</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan and Other Pension Liabilities

The Jury's employees are provided with benefits through the following multiple-employer cost-sharing plan:

- PERSLA (Plan A) provides retirement benefits to employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

General Information About the Plan:

- PERSLA membership is provided on the date of employment to all permanent employees who work at least 28 hours per week. The Jury participates in Plan A and provides retirement benefits to any member of Plan A who was hired before January 1, 2007 meeting one of the following criteria:
 - Any age with 30 or more years of creditable service
 - Age 55 with a minimum of 25 years of creditable service
 - Age 60 with a minimum of 10 years of creditable service
 - Age 65 with a minimum of 7 years of creditable service

For members hired after January 1, 2007, benefits are provided to any member of Plan A meeting one of the following criteria:

- Age 55 with 30 years of creditable service
- Age 62 with 10 years of creditable service
- Age 67 with 7 years of creditable service

Generally, the monthly retirement allowance for any member of Plan A consists of an amount equal to 3% of the member's monthly average final compensation times years of creditable service. However, under certain conditions (as outlined in the statutes) the benefits are limited to specified amounts. Survivor, death, and disability benefits are also provided under the plan.

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During such period, employer contributions continue but employee contributions cease. Monthly benefits that the member would have received during the DROP period are paid into the DROP fund. Interest is earned when the member has completed DROP participation, based on the actual rate of return on the investments identified as DROP funds for the period.

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2020, the actual employer contribution rate was 12.25% and the actuarially required contribution rate was 11.11%.

The Plan receives ad valorem and state revenue sharing funds as employer contributions and those amounts are considered support from nonemployer contributing entities, but are not considered as special funding situations.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources:

As of December 31, 2021, the Jury reported a total of \$(534,732) for its proportionate shares of the net pension liability (asset) of the Plan.

The net pension liability was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Jury's proportion of the net pension asset was based on a projection of the Jury's long-term contributions to the Plan's relative to the projected contributions of all participating employers, actuarially determined. The Jury's proportion of the Plan as of December 31, 2020 was 0.30%.

Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Jury's contributions to the System under Plan A for the years ended December 31, 2021, 2020, and 2019 were \$234,766, \$249,277, and \$242,228, respectively, equal to the required contributions for each year.

For the year ended December 31, 2021, the Jury recognized pension expense of \$40,631.

NOTES TO FINANCIAL STATEMENTS

In addition, the Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion	\$ 2,182	\$ 55,429
Differences between expected and actual experience	130,189	63,823
Change of assumptions	174,947	-
Net difference between projected and actual earnings on pension plan investments	-	1,043,641
Jury's contributions subsequent to the measurement date	<u>234,766</u>	<u>-</u>
 Total deferred outflows and inflows of resources	 <u>\$ 542,084</u>	 <u>\$ 1,162,893</u>

The deferred outflows of resources related to pensions resulting from the Jury's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2022	\$(245,607)
2023	(99,471)
2024	(340,001)
2025	<u>(170,496)</u>
Total	<u>\$(855,575)</u>

NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions:

The total pension liabilities in the December 31, 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	2.30%
Salary increases	4.75%
Investment rate of return	6.40%
Actuarial cost method	entry age normal
Expected remaining service lives	4 years

Mortality rates were based on the Pub-2010 Public Employee Retirement Plans Mortality Table for active members, Healthy Annuitant Table for healthy annuitants, and Disabled Lives Mortality Tables for disabled annuitants.

The investment rate of return was determined based on a triangulation method which integrated the Capital Asset Pricing Model(top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification.

NOTES TO FINANCIAL STATEMENTS

Target Asset Allocation:

The Plan’s target asset allocation as of December 31, 2020 is as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	33%	.86%
Equity	51%	3.36%
Alternatives	14%	.67%
Real assets	<u>2%</u>	<u>.11%</u>
Totals	<u>100%</u>	5.00%
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>7.00%</u>

Sensitivity of the Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the Jury’s proportionate share of the net pension liability (net pension asset) of the Plan, calculated using the discount rates as shown above, as well as what the Jury’s proportionate share of the net pension liability (net pension asset) would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>1% Decrease (5.40%)</u>	<u>Current Discount Rate (6.40%)</u>	<u>1% Increase (7.40%)</u>
<u>\$ 1,121,176</u>	<u>\$(534,732)</u>	<u>\$(1,921,519)</u>

Pension Plan Fiduciary Net Position:

Detailed information about the Plan’s fiduciary net position is available in the separately issued financial statements of the Plan.

NOTES TO FINANCIAL STATEMENTS

Other Pension Liabilities:

The Jury pays a portion of the salaries for employees of the registrar of voters. These employees are also covered by a multiple-employer public employees retirement system requiring employee and employer contributions. The Jury's and employees' contributions to the system is considered immaterial with respect to the Jury and the benefit system as a whole.

Note 8. Operating Leases

As of December 31, 2021, the Jury had entered into nine equipment operating leases having initial or remaining noncancellable terms in excess of one year. The annual commitments under these leases are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Totals</u>
2022	\$ 187,587
2023	<u>15,375</u>
	<u>\$ 202,962</u>

The Jury made payments of \$87,042 from the Road Maintenance Fund and \$237,603 from the Drainage Maintenance Fund during the year ended December 31, 2021 under operating leases.

Note 9. Contingencies and Risk Management

The 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 Jury carries commercial insurance for all risks of loss, including workers' compensation. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage for each of the past three fiscal years.

As of the date of this report, there were two pending lawsuits against the Jury involving property damage and a trip/fall incident. The Jury's legal counsel advised that the two lawsuits should be settled for less than \$25,000 and \$50,000, respectively.

A civil rights complaint had also been filed against the Jury. No substantial claim will be paid on the allegation without a court order.

NOTES TO FINANCIAL STATEMENTS

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable, if any, as of December 31, 2021 may be impaired. In the opinion of the Jury's management, there are no known significant contingent liabilities as of December 31, 2021 relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

When both restricted and unrestricted resources are available for use, the Jury normally uses restricted resources first, then unrestricted resources as needed.

Note 10. Uncertainties

The COVID-19 pandemic had financial and economic impacts on the Jury that will potentially continue for several years. The recovery of the local economy and the return of Jury revenue to pre-COVID levels will depend on many factors that are still unknown.

The American Rescue Plan Act ("ARPA") was signed into law on March 11, 2021 providing additional financial relief to the effects of the pandemic. During the current year the Jury received \$1,954,232 of ARPA funds that are reported as deferred revenue in the General Fund. These funds may be used to cover qualifying costs obligated between March 31, 2021 and December 31, 2024 and expended by December 31, 2026.

Additional ARPA funds of \$1,954,232 are expected to be received in 2022.

Note 11. Subsequent Events

Subsequent events were evaluated through May 26, 2022, which is the date the financial statements were available to be issued, and it was determined that no significant event had occurred requiring disclosure.

REQUIRED SUPPLEMENTARY INFORMATION (Part 2 of 2)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - GENERAL FUND
For the Year Ended December 31, 2021

	<u>Budget</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,109,000	\$ 1,150,500	\$ 1,203,172	\$ 52,672
Licenses and permits	163,500	184,350	186,471	2,121
Intergovernmental	207,250	2,360,847	2,883,933	523,086
Fees, charges, and commissions for services	20,000	41,500	40,676	(824)
Fines and forfeitures	2,000	2,350	2,421	71
Interest and miscellaneous	<u>75,665</u>	<u>10,100</u>	<u>25,085</u>	<u>14,985</u>
Total revenues	<u>\$ 1,577,415</u>	<u>\$ 3,749,647</u>	<u>\$ 4,341,758</u>	<u>\$ 592,111</u>
Expenditures:				
Current:				
General government:				
Legislative	\$ 280,433	\$ 260,083	\$ 259,043	\$ 1,040
Judicial	95,325	93,610	93,514	96
Elections	63,152	48,346	48,087	259
Finance and administrative	524,285	454,820	326,356	128,464
Other	79,215	73,265	112,728	(39,463)
Public safety	354,459	340,634	336,371	4,263
Health and welfare	97,650	80,700	79,915	785
Economic development and assistance	-	-	99,498	(99,498)
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 1,494,519</u>	<u>\$ 1,351,458</u>	<u>\$ 1,355,512</u>	<u>\$ (4,054)</u>

(continued)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES , AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - GENERAL FUND (Continued)
For the Year Ended December 31, 2021

	<u>Budget</u>		<u>Actual</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Net changes in fund balances	\$(82,896)	\$ 2,398,189	\$ 2,986,246	\$ 588,057
Fund balances - beginning (non- GAAP and GAAP budgetary basis)	<u>329,000</u>	<u>396,000</u>	<u>926,982</u>	<u>530,982</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 246,104</u>	<u>\$ 2,794,189</u>	<u>\$ 3,913,228</u>	<u>\$ 1,119,039</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			(55,650)	
Expenditure accruals			1,686	
Deferred revenue			(1,849,226)	
Other			1,703	
Fund balance - ending (GAAP basis)			<u>\$ 2,011,741</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - ROAD MAINTENANCE FUND

For the Year Ended December 31, 2021

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 2,780,000	\$ 3,430,000	\$ 3,438,000	\$ 8,000
Intergovernmental	275,000	995,000	414,135	(580,865)
Fees, charges, and commissions	-	22,000	21,694	(306)
Interest and miscellaneous	<u>5,650</u>	<u>16,350</u>	<u>16,122</u>	<u>(228)</u>
Total revenues	<u>\$ 3,060,650</u>	<u>\$ 4,463,350</u>	<u>\$ 3,889,951</u>	<u>\$ (573,399)</u>
Expenditures:				
Current:				
Public works	\$ 3,519,439	\$ 3,203,000	\$ 3,012,555	\$ 190,445
Capital outlay	<u>-</u>	<u>-</u>	<u>139,950</u>	<u>(139,950)</u>
Total expenditures	<u>\$ 3,519,439</u>	<u>\$ 3,203,000</u>	<u>\$ 3,152,505</u>	<u>\$ 50,495</u>
Excess (deficiency) of revenues over expenditures	\$(458,789)	\$ 1,260,350	\$ 737,446	\$(522,904)
Other financing sources:				
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	\$(458,789)	\$ 1,260,350	\$ 737,446	\$(522,904)
Fund balances - beginning (non- GAAP and GAAP budgetary basis)	<u>475,000</u>	<u>975,000</u>	<u>909,604</u>	<u>(65,396)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 16,211</u>	<u>\$ 2,235,350</u>	\$ 1,647,050	<u>\$ (588,300)</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			(2,034)	
Expenditure accruals			<u>(52,950)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 1,592,066</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - DRAINAGE MAINTENANCE FUND
For the Year Ended December 31, 2021

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 1,465,000	\$ 1,790,000	\$ 1,793,739	\$ 3,739
Fees, charges, and commissions for services	-	-	1,917	1,917
Interest and miscellaneous	2,000	11,150	8,132	(3,018)
Total revenues	<u>\$ 1,467,000</u>	<u>\$ 1,801,150</u>	<u>\$ 1,803,788</u>	<u>\$ 2,638</u>
Expenditures:				
Current:				
Public works	\$ 1,620,422	\$ 1,572,117	\$ 1,567,110	\$ 5,007
Capital outlay	-	-	-	-
Total expenditures	<u>\$ 1,620,422</u>	<u>\$ 1,572,117</u>	<u>\$ 1,567,110</u>	<u>\$ 5,007</u>
Net changes in fund balances	\$(153,422)	\$ 229,033	\$ 236,678	\$ 7,645
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>200,000</u>	<u>349,000</u>	<u>340,343</u>	<u>(8,657)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 46,578</u>	<u>\$ 578,033</u>	\$ 577,021	<u>\$(1,012)</u>
Adjustments to generally accepted accounting principles:				
Expenditure accruals			(3,073)	
Fund balance - ending (GAAP basis)			<u>\$ 573,948</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - HEALTH UNIT FUND
For the Year Ended December 31, 2021

	<u>Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 235,000	\$ 250,000	\$ 261,028	\$ 11,028
Intergovernmental	11,000	11,000	10,944	(56)
Interest and miscellaneous	6,000	5,000	7,739	2,739
Total revenues	<u>\$ 252,000</u>	<u>\$ 266,000</u>	<u>\$ 279,711</u>	<u>\$ 13,711</u>
Expenditures:				
Current:				
Health and welfare	<u>216,215</u>	<u>194,310</u>	<u>203,310</u>	<u>(9,000)</u>
Net changes in fund balances	\$ 35,785	\$ 71,690	\$ 76,401	\$ 4,711
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>850,000</u>	<u>908,000</u>	<u>898,265</u>	<u>(9,735)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 885,785</u>	<u>\$ 979,690</u>	\$ 974,666	<u>\$(5,024)</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			(31,041)	
Deferred revenue accruals			24,616	
Expenditure accruals			<u>(2,901)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 965,340</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - LIBRARY FUND
For the Year Ended December 31, 2021

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 1,083,000	\$ 983,000	\$ 1,002,830	\$ 19,830
Intergovernmental	42,408	85,408	85,890	482
Fees, charges, and commissions for services	17,000	-	6,647	6,647
Fines and forfeitures	2,200	-	8,347	8,347
Interest and miscellaneous	43,550	29,450	19,340	(10,110)
Total revenues	<u>\$ 1,188,158</u>	<u>\$ 1,097,858</u>	<u>\$ 1,123,054</u>	<u>\$ 25,196</u>
Expenditures:				
Current:				
Culture and recreation	\$ 3,354,228	\$ 924,559	\$ 1,046,444	\$(121,885)
Capital outlay	70,100	7,500	-	7,500
Total expenditures	<u>\$ 3,424,328</u>	<u>\$ 932,059</u>	<u>\$ 1,046,444</u>	<u>\$(114,385)</u>
Net changes in fund balances	\$(2,236,170)	\$ 165,799	\$ 76,610	\$(89,189)
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>2,236,170</u>	<u>2,731,170</u>	<u>3,773,792</u>	<u>1,042,622</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ -</u>	<u>\$ 2,896,969</u>	\$ 3,850,402	<u>\$ 953,433</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			(233,356)	
Deferred revenue accruals			213,438	
Expenditure accruals			<u>(17,058)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 3,813,426</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

NOTE TO BUDGETARY COMPARISON SCHEDULES
As of and for the Year Ended December 31, 2021

Note 1. Revenues and Expenditures - Budget and Actual

Actual revenues of the Road Maintenance Fund for the year ended December 31, 2021 of \$3,889,951 failed to meet budgeted revenues of \$4,463,350 by \$573,399 or 12.8%. The unfavorable variance resulted from federal funds being budgeted that were actually funding sources for the General Fund.

The Library Fund's actual expenditures for the year ended December 31, 2021 of \$1,046,444 exceeded budget expenditures of \$932,059 by \$114,385 or 12.2%. The majority of the unfavorable variance stemmed from excess cost related to online services and the recording of pension cost related to the ad valorem tax roll.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - PERSLA
Last Ten Fiscal Years Ended December 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of net pension liability	.30%	.33%	.37%	.35%	.35%	.34%	.31%
Proportionate share of net pension liability (asset)	\$(534,732)	\$ 15,322	\$ 1,632,380	\$(260,431)	\$ 726,940	\$ 907,758	\$ 84,471
Covered employees' payroll	\$ 2,032,437	\$ 2,061,977	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Proportionate share of net pension liability as a percentage of covered employees' payroll	-26.31%	.74%	72.73%	-11.84%	32.66%	45.91%	4.92%
Plan fiduciary net position as a percentage of total pension liability	-3.99%	99.89%	88.86%	101.98%	94.15%	92.23%	99.15%

(This page intentionally printed in this format due to space restrictions.)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF CONTRIBUTIONS - PERSLA
Last Ten Fiscal Years Ended December 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractuallyrequiredcontribution	\$249,518	\$ 237,331	\$ 259,391	\$ 275,046	\$ 278,216	\$ 286,703	\$ 225,768
Contributions in relation to contractuallyrequiredcontribution	<u>249,518</u>	<u>237,331</u>	<u>259,391</u>	<u>275,046</u>	<u>278,216</u>	<u>286,703</u>	<u>225,768</u>
Contribution deficiency	<u>\$ -</u>						
Coveredemployeespayroll	\$ 2,032,437	\$ 2,061,977	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Contribution as a percentage of covered employees' payroll	12.25%	11.50%	11.50%	12.50%	12.50%	14.50%	13.15%

(This page intentionally printed in this format due to space restrictions.)

OTHER SUPPLEMENTARY INFORMATION

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2021

	<u>Block Grant</u>	<u>Off-Duty Officers</u>	<u>Courthouse Maintenance</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS				
Cash	\$ -	\$ 22,539	\$ 125,134	\$ 147,673
Receivables	<u>2,000</u>	<u>358</u>	<u>-</u>	<u>2,358</u>
Total assets	<u>\$ 2,000</u>	<u>\$ 22,897</u>	<u>\$ 125,134</u>	<u>\$ 150,031</u>
LIABILITIES				
Accounts payable	\$ 2,000	\$ 100	\$ 9,521	\$ 11,621
Due to other funds	<u>-</u>	<u>-</u>	<u>1,150</u>	<u>1,150</u>
Total liabilities	<u>\$ 2,000</u>	<u>\$ 100</u>	<u>\$ 10,671</u>	<u>\$ 12,771</u>
FUND BALANCES				
Restricted for special revenue	<u>-</u>	<u>22,797</u>	<u>114,463</u>	<u>137,260</u>
Total liabilities and fund balances	<u>\$ 2,000</u>	<u>\$ 22,897</u>	<u>\$ 125,134</u>	<u>\$ 150,031</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	<u>Block Grant</u>	<u>Off-Duty Officers</u>	<u>Courthouse Maintenance</u>	Total Non-Major Governmental <u>Funds</u>
Revenues:				
Taxes	\$ -	\$ -	\$ 373,696	\$ 373,696
Fines and forfeitures	-	22,965	-	22,965
Grant	396,599			396,599
Intergovernmental	44,299			44,299
Interest and miscellaneous	-	83	8,062	8,145
Total revenues	<u>\$ 440,898</u>	<u>\$ 23,048</u>	<u>\$ 381,758</u>	<u>\$ 845,704</u>
Expenditures:				
Current:				
General government:				
Judicial	\$ -	\$ 33,562	\$ -	\$ 33,562
Other	-	-	297,384	297,384
Public works	440,898	-	-	440,898
Debt service	-	-	32,577	32,577
Total expenditures	<u>\$ 440,898</u>	<u>\$ 33,562</u>	<u>\$ 329,961</u>	<u>\$ 804,421</u>
Net changes in fund balances	\$ -	\$(10,514)	\$ 51,797	\$ 41,283
Fund balances - beginning	<u>-</u>	<u>33,311</u>	<u>62,666</u>	<u>95,977</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 22,797</u>	<u>\$ 114,463</u>	<u>\$ 137,260</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF JURORS' COMPENSATION
For the Year Ended December 31, 2021

The schedule of compensation paid to jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Jury has elected the monthly payment method of compensation. Under this method, the jurors each received \$1,600 per month as follows:

Althan Smith	\$ 19,200
Steve Lofton	19,200
Elliot D. Colvin	19,200
Steve D. Craig II	19,200
Barbara Carroll	19,200
Norman C. Russell	19,200
Patrick L. Stubblefield	19,200
Jesse Lively	19,200
Thomas R. Wiggins, Jr.	<u>19,200</u>
 Total jurors' compensation	 <u>\$ 172,800</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
As of and For the Year Ended December 31, 2021

Agency Head Name: James S. Lofton

<u>Purpose</u>	<u>Amounts</u>
Compensation	\$ 19,200
Dental and vision insurance	389
Health and life insurance	<u>10,164</u>
Total compensation, benefits, and other payments to agency head	<u>\$ 29,753</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY - CASH BASIS
For the Year Ended December 31, 2021

	First Six Month Period Ended <u>June 30, 2021</u>	Second Six Month Period Ended <u>December 31, 2021</u>
Receipts:		
Richland Parish Sheriff - fines and forfeitures	\$ 1,286	\$ 1,135
Richland Parish Sheriff - off-duty officers	<u>13,079</u>	<u>11,613</u>
 Total receipts	 <u>\$ 14,365</u>	 <u>\$ 12,748</u>
 Ending balance of amounts assessed but not received	 <u>\$ -</u>	 <u>\$ -</u>

HILL, INZINA & COMPANY

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

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Jury's basic financial statements and have issued our report thereon dated May 26, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-1 and 2021-2, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Jury's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Jury's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Jury's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jury's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by Louisiana Legislative Auditor as a public document.

/s/ Hill, Inzina & Co.

May 26, 2022

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH
MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION
As of and for the Year Ended December 31, 2021

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2021, which collectively comprise the basic financial statements of the Jury's primary government and have issued our report thereon dated May 26, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2021 resulted in an unmodified opinion on the primary government's governmental activities, each major fund, and the aggregate remaining fund information. An adverse opinion was rendered on the aggregate discretely presented component units and a qualified opinion was rendered on the aggregate remaining fund information.

Section I - Summary of Auditor's Reports

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*

Internal control over financial reporting:

Material weakness(es) identified? - no

Significant deficiency(ies) identified? - yes

Noncompliance material to financial statements noted? - no

Section II - Financial Statement Findings

2021-1 Inadequate Segregation of Duties (initially cited in first audit conducted by our firm as of and for the two years ended December 31, 1993)

Criteria: Adequate segregation of duties is essential to a proper internal control structure.

Condition: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic limitations.

Effect: Not determined.

Recommendation: No action is recommended.

Management's response and planned corrective action: We concur with the finding, but it is not economically feasible for corrective action to be taken.

2021-2 Written Policies and Procedures (initially cited for year ended December 31, 2018)

Criteria: Written policies and procedures are necessary to ensure that the procedures followed by employees meet management's expectations. These should address at minimum:
budgeting
purchasing
disbursements
receipts/collections
payroll/personnel
contracting
credit cards
travel and expense reimbursement
ethics
debt service
information technology disaster recovery/business continuity
sexual harassment

Condition: The Jury has no formal, written policies and procedures that have been recently reviewed and revised.

Cause: The latest major revisions to the Jury's policies and procedures were made in 2010.

Effect: There is not a clear understanding of day-to-day operations to ensure that management's expectations are being met.

Recommendation: Revising and updating the policies and reducing to written form should be a top priority of the Jury.

Management's response and planned corrective action: The Jury has been working on an updated policy and procedure manual and will have it adopted by the end of 2022.

Section III - Management Letter

None issued.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2021

Section II - Financial Statement Findings

2020-1 Inadequate Segregation of Duties

Adequate segregation of duties is essential to a proper internal control structure.

Unresolved - 2021-1.

2020-2 Written Policies and Procedures

The Jury should have written policies and procedures to ensure that the procedures followed by employees meet management's expectations.

Unresolved - 2021-2.

2020-3 Unmarked Public Vehicle

All publicly owned vehicles must have a decal conspicuously placed thereon containing the name of the public entity to which the vehicle belongs.

Resolved.

Section III - Management Letter

None issued.

HILL, INZINA & COMPANY

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Police Jurors of the Richland Parish Police Jury and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2021 through December 31, 2021. The Richland Parish Police Jury's (Jury) management is responsible for those C/C areas identified in the SAUP.

The Jury has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUP for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the Jury's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the Jury's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

**The Jury had no written policies and procedures addressing these specifics relative to budgeting.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

**The Jury had no written policies and procedures addressing these specifics relative to purchasing.
 - c) ***Disbursements***, including processing, reviewing, and approving.

**The Jury had no written policies and procedures addressing these specifics relative to disbursements.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

**The Jury had no written policies and procedures addressing these specifics relative to receipts/collections.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

**The Jury had no employees and had no written policies and procedures addressing these specifics relative to payroll/personnel.

- e) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

**The Jury had no written policies and procedures addressing specifics relative to contracting.

- f) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

**The Jury had no written policies and procedures addressing specifics relative to credit cards.

- g) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

**The Jury had no written policies and procedures addressing these specifics relative to travel and expense reimbursement.

- h) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Jury's ethics policy.

**The Jury had no written policies and procedures addressing these specifics relative to ethics.

- i) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access (EMMA) reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**The Jury had no written policies and procedures addressing these specifics relative to debt service.

- j) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**The Jury had no written policies and procedures addressing these specifics relative to information technology disaster recovery/business continuity.

- k) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**The Jury had no written policies and procedures addressing these specifics relative to sexual harassment.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

**The police jurors met with a quorum at least monthly during the fiscal period.

- a) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

**The minutes did not reference or include monthly budget-to-actual comparisons but the secretary/treasurer attested that such was provided monthly to each juror for all funds.

- b) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one

meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

**The general fund did not have a negative ending unassigned fund balance in the prior year audit report.

Bank Reconciliations

3. Obtain a listing of the Jury's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Jury's main operating account. Select the Jury's main operating account and randomly four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g., initialed and dated or electronically logged).

**The selected bank reconciliations included evidence that they were prepared monthly by two employees initialing and dating each.

b) Bank reconciliations include evidence that a member of management/ board member who does not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation (e.g., initialed and dated or electronically logged).

**There was no evidence that a member of management/board member that wasn't involved in the transaction reviewed the bank reconciliations.

c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**None of the reconciliations had reconciling items that had been outstanding for more than 12 months from the statement closing date.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select five deposit sites (or all deposit sites if less than five).

**Management of the Jury provided a listing of deposit sites and representation that the listing was complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

a) Employees responsible for cash collections do not share cash drawers/registers.

**The Jury's main deposit site does not use cash drawers/registers but the other three deposit sites do share cash drawers.

b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

**The Jury's collections were made by employees that also prepared/made bank deposits with no other employee/official reconciling.

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

**The Jury's collections were made by employees that also posted collection entries to the general ledger with no other employee/official reconciling.

d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.

**The Jury's employee(s) responsible for reconciling also were responsible for collecting with no other employee verifying.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

**Management provided copies of the insurance policies that were enforced during the fiscal period.

7. Randomly select two deposit dates for each of the five bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the ten deposits and:

a) Observe that receipts are sequentially pre-numbered.

**Sequentially pre-numbered receipts were not used by the Jury.

b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

**Sequentially pre-numbered receipts, system reports, or other related collection documentation were not used to verify collections. Alternatively, transmittal advices were traced to the deposit slips.

c) Trace the deposit slip total to the actual deposit per the bank statement.

**Deposit slip totals did agree with the actual deposit per the bank statement.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

**The Jury did not document the date the monies were received at the collection locations. Transmittal advices for only one selected deposit were deposited and cleared the bank within one business day of the date on the advice. The Jury's collection locations were not more than ten miles from the depository.

- e) Trace the actual deposit per the bank statement to the general ledger.

**The deposits were traced from the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five locations (or all locations if less than five).

**Management of the Jury provided a listing of locations that process payments and representation that the listing was complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

**At least two employees are involved in the purchasing process.

- b) At least two employees are involved in processing and approving payments to vendors.

**At least two employees are involved in processing and approving payments.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

**Employees responsible for processing payments may also add/modify vendor files without periodical review by another employee.

- d) Either the employee or official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

**Employees responsible for processing payments may also mail the same payments.

10. For each location selected under #8 above, obtain the Jury's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Jury.

**The ten randomly selected disbursements matched the related original invoice/billing statement. Deliverables were documented as being received.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Although the Jury approved all disbursements by adopting the affected budgets, job duties of employees that processed payments of such were not adequately segregated.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

**Management of the Jury provided a listing of active cards and representation that the listing was complete.
12. Using the listing prepared by management, randomly select five cards (or all cards if less than five) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

**On three of the five selected cards, there was no specific authorized cardholder - the cards were issued in the Jury's name, were held in the secretary/treasurer's office vault, and were "checked out" as needed for purchases.

None of the statements or supporting documentation was reviewed and approved in writing.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

**No finance charges or late fees were assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select ten transactions (or all transactions if less than ten) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have ten transactions subject to testing). For each transaction, observe that it is supported by

(1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

**The ten selected transactions were supported by original receipts itemizing what was purchased and the business/public purpose was apparent from the detailed descriptions. None of the transactions were for meal charges.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

**All of the selected reimbursements were calculated using a per diem that did not exceed the established rates.

b) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

**The business/public purpose of each reimbursement was supported by written documentation.

c) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

** Each reimbursement was appropriately reviewed and approved.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five agreements/contracts (or all if less than five) from the listing, excluding the practitioner's contract, and:

a) Observe whether the agreement/contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

****Neither of the five agreements/contracts that were initiated or renewed during the fiscal period were required by law to be bid.**

- b) Observe whether the agreements/contracts were approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

**** All were signed by the Jury's president or the director of the parish library.**

- c) If the agreement/contract was amended (e.g., change order), observe the original agreement/contract terms provided for such an amendment and that amendments were made in compliance with the agreement/contract terms (e.g., if approval is required for any amendment, was approval documented).

****The agreements/contracts were not amended during the fiscal period.**

- d) Randomly select one payment from the fiscal period for each of the five agreements/contracts, obtain the supporting invoice, agree the invoice to the agreement/contract terms, and observe the invoice and related payment agreed to the terms and conditions of the agreement/contract.

****The examined invoices agreed to the terms and conditions of the agreements/contracts.**

Payroll and Personnel

- 16. Obtain a listing of employees and elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

****Management of the Jury provided a listing of employees and representation that the listing was complete.****

- 17. Randomly select one pay period during the fiscal period. For the five employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

****All selected employees documented their daily attendance and leave.**

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

****Approval of the attendance and leave of only two of the five time records was documented.**

- c) Observe any leave accrued or taken during the pay period is reflected in the Jury's cumulative leave records.

****Leave was taken by two of the five selections. Cumulative leave records for these two were maintained in the Jury's payroll software.**

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate.

****All selections' salary/pay rate were authorized.**

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the Jury's policy on termination payments. Agree the hours to the employee or official's authorized pay rates in the employee or official's personnel file, and agree the termination payment to Jury policy.

**Documentation of the hours used in the termination payment calculations was observed.

There was documentation for the employees as to the authorized pay rate. The Jury does not maintain pay rates in the personnel files nor have a policy relative to termination payments.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**Management of the Jury provided representation that payroll related amounts were paid and related forms were timely filed.

Ethics

20. Using the five randomly selected employees or officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

a) Observe whether the documentation demonstrates each employee or official completed one hour of ethics training during the fiscal period.

**The Jury provided documentation that each of the five completed one hour of ethics training during the fiscal period.

b) Observe whether the Jury maintained documentation which demonstrates each employee or official was notified of any changes to the Jury's ethics policy during the fiscal period, as applicable.

**The Jury had no written policies and procedures addressing ethics.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

**The Jury did not issue any debt instruments during the fiscal period.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree

actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**The Jury had no bonds/notes outstanding at the end of the fiscal period.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Jury reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Jury is domiciled.

**The Jury's management asserted that there were no misappropriations of public funds and assets during the fiscal period.

24. Observe that the Jury has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**The Jury posted the notice on its premises but did not have a website.

Information Technology Disaster Recovery/Business Continuity

Perform the following procedures and verbally discuss the results with management.

a) Obtain and inspect the Jury's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

**The Jury has hired an outside company to manage disaster recovery/business continuity issues.

b) Obtain and inspect the Jury's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past three months.

**See preceding a).

c) Obtain a listing of the Jury's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**Both the operating system and the virus protection are monitored and updated regularly by the outside company.

Sexual Harassment

4. Using the five randomly selected employees or officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management and observe the documentation demonstrates each employee or official completed at least one hour of sexual harassment training during the calendar year.

**All but one of the selected employees completed one hour of sexual harassment training during the calendar year. This one was terminated before the group training was presented by the Jury.

5. Observe the Jury has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location of the Jury’s premises if the Jury does not have a website).

**The Jury’s secretary/treasurer asserted that the policy and complaint procedure were posted on its premises. The Jury does not have a website.

6. Obtain the Jury’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe if it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements.

**The Jury did not complete an annual sexual harassment report for the current fiscal period.

- b) Number of sexual harassment complaints received by the agency.

**The Jury’s secretary/treasurer asserted that no sexual harassment complaints were received.

- c) Number of complaints which resulted in a finding that sexual harassment occurred.

**See preceding b).

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

**See preceding b).

- e) Amount of time it took to resolve each complaint.

**See preceding b).

We were not engaged by the Jury to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUP. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Jury and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUP, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

/s/ Hill, Inzina & Co.

Bastrop, Louisiana

May 25, 2022

Management's Response

We will take the auditor's comments under advisement and implement changes as deemed necessary.