

AVOYELLES PARISH POLICE JURY

Marksville, Louisiana

Financial Report

Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury (Police Jury), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Police Jury’s legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury’s primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The amount by which this departure from accounting principles generally accepted in the United States of America 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 is not reasonably determinable.

Adverse Opinion on Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the “Basis for Adverse Opinion on Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Avoyelles Parish Police Jury as of December 31, 2019, 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

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 Avoyelles Parish Police Jury as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

The Avoyelles Parish Police Jury has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The LCDBG program financial statements, Section 8 financial data schedule and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the LCDBG program financial statements, Section 8 financial data schedule and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The combining nonmajor fund financial statements have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 05, 2020, on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Police 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 Police Jury's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
August 05, 2020

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Net Position
December 31, 2019

Assets:

Cash and interest-bearing deposits	\$ 16,074,346
Receivables, net	46,102
Ad valorem taxes, net	2,567,270
Sales tax receivables	469,796
Due from other governmental units	294,900
Prepaid items	159,557
Capital assets:	
Non-depreciable	2,580,130
Depreciable, net	<u>7,411,463</u>
Total assets	<u>29,603,564</u>

Deferred outflows of resources - pensions	<u>417,217</u>
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Liabilities:

Accounts and other payables	1,011,373
Accrued liabilities	81,091
Retainage payables	125,341
Unearned revenue	97,652
Due to other governmental units	93,551
Accrued interest payable	6,228
Long-term liabilities:	
Due within one year	119,183
Due in more than one year	780,427
Net pension liability	<u>392,733</u>
Total liabilities	<u>2,707,579</u>

Deferred inflows of resources - pensions	<u>83,913</u>
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Net Position:

Net investment in capital assets	9,172,593
Restricted -	
Public safety	25,829
Public works	8,787,043
Health and welfare	4,992,163
Culture and recreation	3,033,076
Economic development	234,629
Debt service	93,570
Unrestricted	<u>890,386</u>
Total net position	<u>\$ 27,229,289</u>

The accompanying notes are an integral part of the basic financial statements.

AVOUELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Activities
For the Year Ended December 31, 2019

Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 1,786,513	\$ 237,363	\$ 151,460	\$ -	\$ (1,397,690)
Public safety	764,998	191,157	-	-	(573,841)
Public works	4,976,322	10,000	489,521	8,948	(4,467,853)
Health and welfare	1,042,549	-	707,657	-	(334,892)
Culture and recreation	722,247	11,507	-	-	(710,740)
Economic development	273,494	4,713	-	-	(268,781)
Interest on long-term debt	19,354	-	-	-	(19,354)
Total governmental activities	<u>\$ 9,585,477</u>	<u>\$ 454,740</u>	<u>\$ 1,348,638</u>	<u>\$ 8,948</u>	<u>(7,773,151)</u>
General revenues:					
Taxes -					
Property taxes, levied for general purposes					3,126,740
Property taxes, levied for specific purposes					95,074
Sales and use taxes, levied for specific purposes					4,767,403
Severance taxes					192,414
Grants and contributions not restricted to specific programs -					
State revenue sharing					248,068
Parish equalization funds					647,323
Fire insurance rebate					164,571
Other state funds					12,500
Occupational licenses and other permits					527,811
Nonemployer pension contribution					20,619
Interest and investment earnings					123,944
Miscellaneous					248,751
Gain on disposal of assets					46,273
Total general revenues					<u>10,221,491</u>
Change in net position					2,448,340
Net position, beginning					<u>24,780,949</u>
Net position, ending					<u>\$ 27,229,289</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Balance Sheet
Governmental Funds
December 31, 2019

	General	Road & Bridge	Solid Waste	Drainage
ASSETS				
Cash and interest-bearing deposits	\$ 809,389	\$ 1,105,338	\$ 5,921,934	\$ 1,129,749
Receivables, net	20,805	-	-	-
Ad valorem taxes, net	251,471	-	-	409,085
Sales tax receivables	-	138,721	331,075	-
Due from other funds	109,365	215,626	-	-
Due from other governmental units	105,441	41,221	-	23,960
Total assets	\$ 1,296,471	\$ 1,500,906	\$ 6,253,009	\$ 1,562,794
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	\$ 231,274	\$ 71,070	\$ 266,176	\$ 87
Accrued liabilities	13,841	15,913	9,968	17,236
Retainage payables	10,240	41,753	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	158,634	25,847
Due to other governmental units	93,551	-	-	-
Total liabilities	348,906	128,736	434,778	43,170
Fund balances:				
Restricted -				
Public safety	-	-	-	-
Public works	-	1,372,170	5,818,231	1,519,624
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Unassigned (deficits)	947,565	-	-	-
Total fund balances	947,565	1,372,170	5,818,231	1,519,624
Total liabilities and fund balances	\$ 1,296,471	\$ 1,500,906	\$ 6,253,009	\$ 1,562,794

The accompanying notes are an integral part of the basic financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Road District No. 2</u>	<u>Governmental Funds</u>	<u>Total</u>
\$ 3,378,875	\$ 2,484,034	\$ 534,828	\$ 710,199	\$ 16,074,346
-	-	-	25,297	46,102
467,457	724,557	714,700	-	2,567,270
-	-	-	-	469,796
-	-	-	-	324,991
<u>27,308</u>	<u>42,328</u>	<u>49,642</u>	<u>5,000</u>	<u>294,900</u>
<u>\$ 3,873,640</u>	<u>\$ 3,250,919</u>	<u>\$ 1,299,170</u>	<u>\$ 740,496</u>	<u>\$ 19,777,405</u>
\$ 656	\$ 119,108	\$ 302,024	\$ 20,978	\$ 1,011,373
5,584	14,622	-	3,927	81,091
-	7,086	66,262	-	125,341
-	-	-	97,652	97,652
28,769	77,027	9,093	25,621	324,991
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,551</u>
<u>35,009</u>	<u>217,843</u>	<u>377,379</u>	<u>148,178</u>	<u>1,733,999</u>
-	-	-	25,829	25,829
-	-	-	77,018	8,787,043
3,838,631	-	921,791	231,741	4,992,163
-	3,033,076	-	-	3,033,076
-	-	-	234,629	234,629
-	-	-	99,798	99,798
<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,697)</u>	<u>870,868</u>
<u>3,838,631</u>	<u>3,033,076</u>	<u>921,791</u>	<u>592,318</u>	<u>18,043,406</u>
<u>\$ 3,873,640</u>	<u>\$ 3,250,919</u>	<u>\$ 1,299,170</u>	<u>\$ 740,496</u>	<u>\$ 19,777,405</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2019

Total fund balances for governmental funds		\$ 18,043,406
Capital assets, net		9,991,593
Prepaid expenses		159,557
Long-term liabilities:		
Bonds payable	\$ (819,000)	
Compensated absences payable	(80,610)	
Accrued interest payable	<u>(6,228)</u>	(905,838)
Pension:		
Net pension (liability)/asset	(392,733)	
Deferred outflows of resources	417,217	
Deferred inflows of resources	<u>(83,913)</u>	<u>(59,429)</u>
Net position of governmental activities		<u>\$ 27,229,289</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2019

	General	Road & Bridge	Solid Waste	Drainage
Revenues:				
Taxes -				
Ad valorem	\$ 313,018	\$ -	\$ -	\$ 521,935
Sales	-	1,158,161	3,473,895	-
Severance taxes	192,414	-	-	-
Licenses and permits	527,811	-	-	-
Intergovernmental revenues -				
Federal revenues	151,460	-	-	-
State funds -				
Parish transportation funds	-	489,521	-	-
State revenue sharing	23,972	-	-	38,240
Parish equalization funds	213,850	433,473	-	-
Fire insurance rebate	164,571	-	-	-
Fees, charges and commissions	534,537	-	-	-
Interest income	20,747	14,678	39,729	14,579
Other revenues	146,799	3,111	-	-
Total revenues	<u>2,289,179</u>	<u>2,098,944</u>	<u>3,513,624</u>	<u>574,754</u>
Expenditures:				
Current-				
General government:	1,655,249	-	-	-
Public safety	614,718	-	-	-
Public works	-	2,065,196	3,101,148	453,603
Health and welfare	-	-	-	-
Culture and recreation	24,490	-	-	-
Economic development and assistance	54,795	-	-	-
Debt service-				
Principal payments	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	<u>2,349,252</u>	<u>2,065,196</u>	<u>3,101,148</u>	<u>453,603</u>
Excess (deficiency) of revenues over expenditures	(60,073)	33,748	412,476	121,151
Fund balances, beginning	<u>1,007,638</u>	<u>1,338,422</u>	<u>5,405,755</u>	<u>1,398,473</u>
Fund balances, ending	<u>\$ 947,565</u>	<u>\$ 1,372,170</u>	<u>\$ 5,818,231</u>	<u>\$ 1,519,624</u>

The accompanying notes are an integral part of the basic financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Road District No. 2</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 596,639	\$ 924,607	\$ 770,541	\$ 95,074	\$ 3,221,814
-	-	-	135,347	4,767,403
-	-	-	-	192,414
-	-	-	-	527,811
-	-	-	716,605	868,065
-	-	-	-	489,521
43,697	67,729	74,430	12,500	260,568
-	-	-	-	647,323
-	-	-	-	164,571
-	11,507	-	211,741	757,785
13,879	13,879	-	6,453	123,944
-	-	-	150,072	299,982
<u>654,215</u>	<u>1,017,722</u>	<u>844,971</u>	<u>1,327,792</u>	<u>12,321,201</u>
-	-	-	-	1,655,249
-	-	-	193,519	808,237
-	-	537,007	24,369	6,181,323
256,581	-	-	754,853	1,011,434
-	893,652	-	9,368	927,510
-	-	-	177,532	232,327
-	-	-	94,000	94,000
-	-	-	19,354	19,354
<u>256,581</u>	<u>893,652</u>	<u>537,007</u>	<u>1,272,995</u>	<u>10,929,434</u>
397,634	124,070	307,964	54,797	1,391,767
<u>3,440,997</u>	<u>2,909,006</u>	<u>613,827</u>	<u>537,521</u>	<u>16,651,639</u>
<u>\$ 3,838,631</u>	<u>\$ 3,033,076</u>	<u>\$ 921,791</u>	<u>\$ 592,318</u>	<u>\$ 18,043,406</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2019

Total net change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 1,391,767
Capital assets:		
Capital outlay	\$ 1,577,399	
Depreciation expense	<u>(546,931)</u>	1,030,468
Transactions involving capital assets:		
Effect of disposition of asset		(4,958)
Long-term debt:		
Principal payments	94,000	
Change in compensated absences	<u>3,253</u>	97,253
Change in prepaid expenditures		3,808
Effect of the change in net pension liability/asset, deferred outflows/inflows of resources:		
Change in pension expense	(90,617)	
Nonemployer pension contribution revenue recognized	<u>20,619</u>	<u>(69,998)</u>
 Total changes in net position per Statement of Activities		 <u>\$ 2,448,340</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2019

ASSETS

Cash	\$ 11,570
Receivables	<u>4,162</u>
Total assets	<u>\$ 15,732</u>

LIABILITIES

Due to other governmental units	<u>\$ 15,732</u>
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The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Avoyelles Parish Police Jury (Police Jury) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for 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 is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants.

A. Financial Reporting Entity

Avoyelles Parish Police Jury is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable (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, and (d) organizations that are closely related to, or financially integrated with the primary government.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or whether the potential component unit is fiscally dependent on the primary government.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

3. Financial benefit/burden relationship between the primary government and the potential component unit.
4. The nature and significance of the relationship between the potential component unit with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

The following component unit is not presented in the accompanying financial statements:

Avoyelles Parish Airport Authority

Financial statements of the individual component unit may be obtained from the respective administrative office. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

Related Organizations

The Avoyelles Parish Police Jury appoints a portion of the governing boards of each of the entities described below. However, the Police Jury is not financially accountable for these organizations and therefore they are not component units.

Southwest Water District
Bunkie Hospital District
Ward 3 Water District

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Police Jury's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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Fund Financial Statements (FFS)

The accounts of the Police Jury are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Police Jury are classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Police Jury or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the Police Jury are described below:

Governmental Funds -

Governmental Funds are those through which the governmental functions of the Police Jury are financed. The acquisition use and balance of the Police Jury's expendable financial resources and the related liabilities are accounted for through governmental funds.

The General Fund is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the Police Jury. The following are the Police Jury's major Special Revenue Funds:

The Road and Bridge Fund is used to account for maintenance and upkeep of parish roads and bridges within the respective districts.

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The Solid Waste Fund is used to account for the receipt and use of proceeds of three fourths of one percent (3/4%) sales tax used to provide garbage and waste collection and/or disposal for the Parish.

The Drainage Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the maintenance of the parish drainage system.

The Health Unit Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish.

The Library Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the operation and maintenance of the parish library.

The Road District No. 2 fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for maintaining roads within District No. 2.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and nonmajor funds aggregated. A reconciliation is presented to summarize the differences in fund balances of the governmental fund financial statements and the net position of the governmental activities in the government-wide financial statements.

Fiduciary Funds -

Fiduciary funds account for assets held by the Police Jury in a trustee capacity or as an agency on behalf of other funds within the Police Jury. The funds accounted for in this category by the Police Jury are agency funds. The Police Jury's agency fund is the 12th Judicial District Court Fund which is used to account for the collection and distributions of fines and fees paid to and on behalf of the 12th Judicial District Court.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated

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with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Police Jury’s taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury’s general revenues.

Allocation of indirect expenses

The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Police Jury. Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables. Long-term interfund loans (noncurrent portion) are reported as “advances to and from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes.

Prepaid Items

Payments made to vendors for services that will benefit period beyond December 31, 2019, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities' columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to January 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful

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lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20-40 years
Equipment, furniture, and fixtures	5 years
Heavy equipment	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as expenditures of the governmental fund upon acquisition.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. The Police Jury does not have any proprietary funds.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

After six months of service, employees of the Police Jury earn annual leave at the rate of 5 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year, not to exceed 120 days (960 hours) for hourly and salary employees. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year not to exceed 120 days. Upon termination, unused sick leave is forfeited.

At December 31, 2019, employees of the Police Jury had accumulated and vested leave benefits totaling \$80,610.

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Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consists of all other net position that does 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. Fund balances for governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact.
- b. Restricted - amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
- c. Committed - amounts that are constrained for specific purposes that are internally imposed by the Police Jury through formal legislative action and does not lapse at year end. A committed fund balance constraint can only be established, modified, or rescinded by passage of ordinances or resolutions approved by Police Jury members.

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- d. Assigned - amounts that are constrained by the Police Jury's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Police Jury's Treasurer and approved by a resolution of the Police Jury members.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Police Jury considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Police Jury considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Police Jury has provided otherwise in his commitment or assignment actions.

E. Revenues, Expenditures, and Expenses

Revenues

The Police Jury considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The Police Jury generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The Police Jury's major revenue sources that meet this availability criterion are taxes, and intergovernmental revenues (including grant revenues). Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. Interest income is recorded as earned in the fund holding the interest-bearing asset. Substantially all other revenues are recorded when received.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in October and are actually billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Avoyelles Parish and are collected by the Sheriff. Property tax revenues are recognized when levied to the extent that they result in current receivables.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for governmental activities. In the fund financial statements, expenditures of governmental funds are classified by character. In the fund financial statements, governmental funds report expenditures of financial resources.

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Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the members of the Police Jury.

F. Revenue Restrictions

The Police Jury has various restrictions placed on certain revenue sources received from state or local sources. The proceeds from a 1% sales and use tax levied are dedicated to maintaining roads and bridges as well as providing solid waste collection and disposal services. A motel tax is dedicated for tourism inducement while the proceeds from a special property tax assessed on all property located in Road District No. 2 is dedicated to improving, maintaining and operating roads, bridges and drainage within District No. 2.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the period they are determined to be necessary. Actual results could differ from those estimates.

H. Pensions

The net pension liability/(asset), deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, (described in more detail in Note 7), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide and proprietary fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Cash and Interest-Bearing Deposits

Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principle offices in Louisiana.

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These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Police Jury's deposits may not be recovered, or the Police Jury will not be able to recover the collateral securities that are in the possession of an outside party. The Police Jury does not have a policy for custodial credit risk; however, under state law these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security of 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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances), and the related federal insurance and pledged securities:

Bank balances	<u>\$ 16,127,420</u>
Insured	\$ 947,943
Uninsured and collateral held by pledging bank not in Police Jury's name	<u>15,179,477</u>
Total	<u>\$ 16,127,420</u>

(3) Capital Assets

Capital asset activity was as follows:

	Beginning	Additions	Deletions	Ending
Capital assets not being depreciated:				
Land	\$ 590,548	\$ -	\$ -	\$ 590,548
Construction in progress	<u>913,387</u>	<u>1,255,445</u>	<u>179,250</u>	<u>1,989,582</u>
Total capital assets, not being depreciated	<u>1,503,935</u>	<u>1,255,445</u>	<u>179,250</u>	<u>2,580,130</u>
Capital assets being depreciated:				
Buildings and improvements	5,662,009	3,945	-	5,665,954
Equipment, furniture and fixtures	703,580	15,091	-	718,671
Infrastructure	3,958,948	349,408	-	4,308,356
Heavy equipment	<u>3,775,412</u>	<u>132,760</u>	<u>179,930</u>	<u>3,728,242</u>
Total capital assets, being depreciated	<u>14,099,949</u>	<u>501,204</u>	<u>179,930</u>	<u>14,421,223</u>

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	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
Less accumulated depreciation				
Buildings and improvements	2,429,191	193,792	-	2,622,983
Equipment, furniture and fixtures	630,483	20,077	-	650,560
Infrastructure	317,973	166,644	-	484,617
Heavy equipment	<u>3,260,154</u>	<u>166,418</u>	<u>174,972</u>	<u>3,251,600</u>
Total accumulated depreciation	<u>6,637,801</u>	<u>546,931</u>	<u>174,972</u>	<u>7,009,760</u>
Total capital assets, being depreciated, net	<u>7,462,148</u>	<u>(45,727)</u>	<u>4,958</u>	<u>7,411,463</u>
Capital assets, net	<u>\$ 8,966,083</u>	<u>\$ 1,209,718</u>	<u>\$ 184,208</u>	<u>\$ 9,991,593</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 52,453
Public works	365,602
Economic development	41,167
Health and welfare	48,199
Culture and recreation	22,944
Public safety	<u>16,566</u>
Total depreciation expense	<u>\$ 546,931</u>

(4) Unearned Revenue

Unearned revenue consisted of rent revenue received in advance in the amount of \$60,000, as well as federal funds related to the Section 8 Housing program in the amount of \$37,652.

(5) Long-Term Liabilities

The following is a summary of long-term liability activity:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 83,863	\$ 66,515	\$ 69,768	\$ 80,610	\$ 24,183
Certificates of Indebtedness (1)	688,000	-	69,000	619,000	70,000
Certificates of Indebtedness (2)	<u>225,000</u>	<u>-</u>	<u>25,000</u>	<u>200,000</u>	<u>25,000</u>
Totals	<u>\$ 996,863</u>	<u>\$ 66,515</u>	<u>\$ 163,768</u>	<u>\$ 899,610</u>	<u>\$ 119,183</u>

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Long-term debt payable was composed of the following:

Certificates of Indebtedness (1)

The Police Jury issued \$750,000 of Limited Tax Certificates of Indebtedness, Series 2017, dated April 26, 2017, for the purpose of improving, maintaining and repairing public roads, bridges and drainage within Road District No. 2 with principal installments due in amounts ranging from \$62,000 to \$88,000 through March 1, 2027 at an interest rate of 2.55%.

\$ 619,000

Certificates of Indebtedness (2)

The Police Jury issued \$250,000 of Limited Tax Certificates of Indebtedness, Series 2017, dated April 26, 2017, for the purpose of improving, maintaining and repairing public roads, bridges and drainage within Road District No. 2 with principal installments due of \$25,000 through March 1, 2027 at an interest rate of 1.275%.

\$ 200,000

The certificates are due as follows:

<u>Year Ending December 31,</u>	<u>Principal payments</u>	<u>Interest payments</u>	<u>Total</u>
2020	\$ 95,000	\$ 17,283	\$ 112,283
2021	97,000	15,154	112,154
2022	98,000	12,986	110,986
2023	100,000	10,781	110,781
2024	102,000	8,524	110,524
2025-2027	327,000	11,277	338,277
Totals	<u>\$ 819,000</u>	<u>\$ 76,005</u>	<u>\$ 895,005</u>

(6) Operating Leases

The Police Jury leased equipment under operating leases that expire August 31, 2022. Lease expense amounted to \$51,266. Future minimum lease payments under the operating leases were as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2020	\$ 51,266
2021	51,266
2022	34,178
Totals	<u>\$ 136,710</u>

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(7) Pension Plans

The Police Jury participates in three cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all Police Jury employees participate in one of the following retirement systems:

Plan Descriptions

Parochial Employees' Retirement System (PERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1901 and 11:1941. The Police Jury participates in Plan B.

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

Registrar of Voters Employees' Retirement System (ROVERS) provides retirement, disability, and survivor benefits to eligible registrars of voters in each parish, their deputies, their permanent employees, and their beneficiaries as defined in the Louisiana Revised Statutes. Eligibility for retirement benefits and the computation of retirement benefits are defined in LRS 11:2071-2072.

Each system's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector.

A brief summary of eligibility and benefits of the plans are provided in the following table.

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	PERS	LASERS	ROVERS
Final average salary	Final average compensation	Highest 36 months or 60 months ³	Highest 60 months
Years of service required and/or age eligible for benefits	30 years age 55 ² 10 years age 60 ² 7 years age 65 ²	30 years of any age 25 years age 55 20 years of any age ¹ 5-10 years age 60 ⁴	30 years of any age 20 years age 55 ⁶ 10 years age 60 ⁶
Benefit percent per years of service	2.0% ⁸	2.5% - 3.5% ⁵	3.0% - 3.33% ⁷

¹ With actuarial reduced benefits

² Employees hired after January 1, 2007: 30 years age 55, 10 years age 62, 7 years age 67

³ Employees hired after a certain date use the revised benefit calculation based on the highest 60 months

⁴ Five to ten years of creditable service at age 60 depending upon the plan

⁵ Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%.

⁶ After 01/01/2013 age eligibility is 30 years at 55, 20 years at 60, and 10 years at age 62

⁷ Benefit percent varies depending on hire date

⁸ Under certain conditions, as outlined in the statutes, benefits are limited to specific amounts.

Contributions

Article X, Section 29 (E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, PERS and ROVERS receive a percentage of ad valorem taxes collected by parish. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities.

Contributions of employers, and nonemployer contributing entities effective for the year ended December 31, 2019 for the defined benefit pension plans in which the Police Jury is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
PERS	3.00%	7.50%	\$ 15,871	\$ 91,676
LASERS	12.25%	39.55%	-	4,051
ROVERS	7.00%	18.00%	4,748	3,924

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Net Pension Liability\Asset

The Police Jury's net pension liability\asset at December 31, 2019 is comprised of its proportionate share of the net pension liability\asset relating to each of the cost-sharing plans in which the Police Jury is a participating employer. The Police Jury's net pension liability\asset for each plan was measured as of the plans' measurement date (June 30, 2019 for all plans except PERS and December 31, 2018 for PERS) and the total pension liability\asset used to calculate the net pension liability\asset was determined by an actuarial valuation as of that date. The Police Jury's proportionate share of the net pension liability\asset for each of the plans in which it participates was based on the Police Jury's required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the Police Jury's proportion for each plan and the change in proportion from the prior measurement date were as follows:

Plan	Proportionate Share of Net Pension Liability\Asset	Proportionate Share (%) of Net Pension Liability\Asset	Increase/(Decrease) from Prior Measurement Date
PERS	\$ 326,835	1.209761%	-0.020153%
LASERS	36,225	0.000500%	-0.000022%
ROVERS	<u>29,673</u>	0.158677%	0.001595%
Total	<u>\$ 392,733</u>		

Since the measurement date of the net pension liability was June 30, 2019 (December 31, 2018 for PERS), the net pension liability\asset is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Police Jury's net pension liability\asset is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

- PERS - <http://www.persla.org/>
- LASERS - <http://www.laseronline.org/>
- ROVERS - <http://www.larovers.com/>

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Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability\ (asset) for each of the defined benefit plans in which the Police Jury is a participating employer:

	<u>PERS</u>	<u>LASERS</u>	<u>ROVERS</u>
Date of experience study on which significant assumptions are based	1/1/2013 - 12/31/2017	7/1/2014 - 6/30/2018	7/1/2009 - 6/30/2014
Expected remaining service lives	4	2	5
Inflation Rate	2.40%	2.50%	2.40%
Projected salary increases	4.25%	3.2% - 14.0%	6.0%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1)	(2), (3)	(3), (4)

- (1) Pub-2010 Public Retirement Plans Mortality Table for Health Retirees
- (2) RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.
- (3) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement
- (4) RP-2000 Healthy Mortality Table for active members, healthy annuitants and beneficiaries

Cost of Living Adjustments

The pension plans in which the Police Jury participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings.

Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (PERS and ROVERS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

Discount Rate

The discount rates used to measure the Police Jury's total pension liability\ (asset) for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	<u>PERS</u>	<u>LASERS</u>	<u>ROVERS</u>
Discount rate	6.50%	7.60%	6.50%
Change in discount rate from prior valuation	(.25%)	(.05%)	(0%)
Plan cash flow assumptions	(1)	(1)	(1)
Rates incorporated in the Discount Rate:			
Long-term Rate of Return	7.43%	9.00%	8.83%
Periods applied	All	All	All
Municipal Bond Rate	N/A	N/A	N/A

***Plan Cash Flow Assumptions:**

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the Police Jury's total pension liability\ (asset) for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits.

For LASERS and ROVERS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

For PERS the rate was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM), a treasury yield curve approach and an equity building block model. Risk return and correlation are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return 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 rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

Asset Class	PERS*		LASERS**		ROVERS*	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Cash	-	-	-	0.24%	-	-
Fixed Income	35%	1.22%	-	-	-	-
Domestic Fixed Income	-	-	-	2.79%	12.5%	0.31%
International Fixed Income	-	-	-	4.49%	10%	0.35%
Equities	52%	3.45%	-	-	-	-
Domestic Equity	-	-	-	4.83%	40%	3.00%
International Equity	-	-	-	5.33%	20%	1.70%
Risk Parity	-	-	-	5.06%	-	-
Alternative Investments	11%	0.65%	-	8.32%	10%	0.63%
Real Assets	2%	0.11%	-	-	7.5%	0.34%
Total	100%		0%		100%	

*Arithmetic real rates of return

**Geometric real rates of return

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2019, the Police Jury recognized \$190,009 in pension expense related to all defined benefit plans in which it participates. PERS and ROVERS recognized revenues in the amount of \$20,619 in ad valorem taxes collected from nonemployer contributing entities.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 222	\$ 80,216
Changes of assumptions	95,518	-
Net difference between projected and actual earnings on pension plan investments	225,056	1,694
Change in proportion and differences between employer contributions and proportionate share of contributions	758	2,003
Employer contributions subsequent to the measurement date	95,663	-
Total	\$ 417,217	\$ 83,913

Deferred outflows of resources of \$95,663, resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability\ (asset) in the following fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended December 31	Net Amount Recognized in Pension Expense
2020	\$ 76,515
2021	32,171
2022	31,699
2023	97,256
	\$ 237,641

Sensitivity of the Police Jury's Proportional Share of the Net Pension Liabilities\ (Assets) to Changes in the Discount Rate

The following presents the Police Jury's proportionate shares of the net pension liabilities\ (assets) of the plans, calculated using their respective discount rates, as well as what the Police Jury's proportionate shares of the net pension liabilities 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:

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

<u>Plan</u>	<u>Current Discount Rate</u>	<u>Net Pension Liability\ (Asset)</u>		
		<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PERS	6.50%	\$ 859,876	\$ 326,835	\$ (118,492)
LASERS	7.60%	45,720	36,225	28,204
ROVERS	6.50%	50,057	29,673	12,177
Net Pension Liability\ (Asset)		<u>\$ 955,653</u>	<u>\$ 392,733</u>	<u>\$ (78,111)</u>

Payables to Pension Plans

At December 31, 2019, the Police Jury reported a payable of \$33,927 for the outstanding amount of contributions due to the Systems for the year.

(8) Litigation and Claims

The Police Jury's legal counsel has reviewed various claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Police Jury and to arrive at an estimate, if any, of the amount of range of potential loss to the Police Jury. As of December 31, 2019, no amounts have been incurred which would require accrual.

(9) Federal Compliance Contingencies

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency.

(10) Risk Management

The Jury is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation and employee dishonesty. All of these risks are handled by purchasing commercial insurance coverage. There have not been any significant reductions in the insurance coverage during the year, nor have settlements exceeded insurance coverage for the past three years. Due to current insurance market conditions, the Police Jury is retaining the risk for its general liability exposures in areas where there is no affordable insurance coverage available.

(11) Deficit Fund Balance

The Tricia Park Sewer Fund, nonmajor special revenue funds, and the Courtroom Renovations Fund, a nonmajor capital projects fund, had deficit fund balances of \$16,706, and \$59,991 respectively, at December 31, 2019. These deficits will be eliminated by increasing revenues and/or reducing expenditures.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(12) Compensation of Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 2019 is as follows:

Charles Jones, President (January-October)	\$ 11,342
Mark Borrel	10,272
Glenn McKinley	10,272
Marsha Wiley	10,272
McKinley Keller	10,272
John Earles	10,272
Trent Clark	10,272
Henry Moreau	10,272
Kirby Roy, President (November - December)	<u>10,486</u>
	<u>\$ 93,732</u>

(13) Compensation, Benefits and Other Payments to Board President

A detail of compensation, and other payments paid to Charles Jones – Board President (January to October), and Kirby Roy, III – Board President (November to December), for the year ended December 31, 2019 follows:

Purpose	Charles Jones	Kirby Roy, III
Salary	\$ 9,630	\$ 1,926
Registration fees	360	-
Conference travel	275	-
Reimbursements	11	-
Totals	<u>\$ 10,276</u>	<u>\$ 1,926</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(14) Interfund Transactions

A. A summary of interfund receivables and payables follows:

	Interfund Receivable	Interfund Payable
Major Governmental Fund:		
General Fund	\$ 109,365	\$ -
Road and Bridge	215,626	-
Solid Waste	-	158,634
Drainage	-	25,847
Health unit	-	28,769
Library	-	77,027
Road District No. 2	-	9,093
Total major governmental funds	324,991	299,370
Nonmajor Governmental Funds	-	25,621
Total	\$ 324,991	\$ 324,991

The above amounts are for reimbursements owed for expenditures paid for those funds and for short term loans.

(15) New Accounting Pronouncements

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No 84, *Fiduciary Activities*. The principal objective of this statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. The provisions of GASB Statement No. 84 are effective for fiscal years beginning after December 15, 2019.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This statement requires recognition of certain leased assets and liabilities for leases that previously were classified as operating leases. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after June 15, 2021.

**REQUIRED
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 General Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Ad valorem tax	\$ 270,000	\$ 281,240	\$ 313,018	\$ 31,778
Severance taxes	240,000	204,582	192,414	(12,168)
Licenses and permits	370,000	524,156	527,811	3,655
Intergovernmental revenues -				
Federal grants	225,040	151,561	151,460	(101)
State funds -				
State revenue sharing	30,000	16,016	23,972	7,956
Parish equalization funds	196,000	216,294	213,850	(2,444)
Other	165,000	164,571	164,571	-
Fees, charges and commissions	388,000	422,095	534,537	112,442
Interest income	8,091	19,184	20,747	1,563
Other	32,970	212,849	146,799	(66,050)
Total revenues	<u>1,925,101</u>	<u>2,212,548</u>	<u>2,289,179</u>	<u>76,631</u>
Expenditures:				
Current -				
General government:	1,524,753	1,591,320	1,655,249	(63,929)
Public safety	335,590	596,449	614,718	(18,269)
Culture and recreation	27,415	26,523	24,490	2,033
Economic development and assistance	51,666	57,177	54,795	2,382
Total expenditures	<u>1,939,424</u>	<u>2,271,469</u>	<u>2,349,252</u>	<u>(77,783)</u>
Excess (deficiency) of revenues over expenditures	(14,323)	(58,921)	(60,073)	(1,152)
Fund balance, beginning	<u>1,007,638</u>	<u>1,007,638</u>	<u>1,007,638</u>	<u>-</u>
Fund balance, ending	<u>\$ 993,315</u>	<u>\$ 948,717</u>	<u>\$ 947,565</u>	<u>\$ (1,152)</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Road and Bridge Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales tax	\$ 1,040,000	\$ 1,088,023	\$ 1,158,161	\$ 70,138
State funds -				
Parish transportation funds	470,000	512,171	489,521	(22,650)
Parish equalization funds	-	405,111	433,473	28,362
Interest income	10,800	14,272	14,678	406
Other	1,000	3,111	3,111	-
Total revenues	<u>1,521,800</u>	<u>2,022,688</u>	<u>2,098,944</u>	<u>76,256</u>
Expenditures:				
Current -				
Public works	<u>1,575,038</u>	<u>1,959,479</u>	<u>2,065,196</u>	<u>(105,717)</u>
Excess (deficiency) of revenues over expenditures	(53,238)	63,209	33,748	(29,461)
Fund balance, beginning	<u>1,338,422</u>	<u>1,338,422</u>	<u>1,338,422</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,285,184</u>	<u>\$ 1,401,631</u>	<u>\$ 1,372,170</u>	<u>\$ (29,461)</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Solid Waste Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales tax	\$ 3,000,000	\$ 3,225,335	\$ 3,473,895	\$ 248,560
Interest income	15,000	25,900	39,729	13,829
Other revenues	6,500	-	-	-
Total revenues	<u>3,021,500</u>	<u>3,251,235</u>	<u>3,513,624</u>	<u>262,389</u>
Expenditures:				
Current -				
Public works	<u>2,962,716</u>	<u>3,008,419</u>	<u>3,101,148</u>	<u>(92,729)</u>
Excess of revenues over expenditures	58,784	242,816	412,476	169,660
Fund balance, beginning	<u>5,405,755</u>	<u>5,405,755</u>	<u>5,405,755</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,464,539</u>	<u>\$ 5,648,571</u>	<u>\$ 5,818,231</u>	<u>\$ 169,660</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Drainage Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 440,000	\$ 473,424	\$ 521,935	\$ 48,511
State funds -				
State revenue sharing	26,000	26,394	38,240	11,846
Interest income	5,000	13,672	14,579	907
Total revenues	<u>471,000</u>	<u>513,490</u>	<u>574,754</u>	<u>61,264</u>
Expenditures:				
Current -				
Public works	<u>491,400</u>	<u>445,821</u>	<u>453,603</u>	<u>(7,782)</u>
Excess (deficiency) of revenues over expenditures	(20,400)	67,669	121,151	53,482
Fund balance, beginning	<u>1,398,473</u>	<u>1,398,473</u>	<u>1,398,473</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,378,073</u>	<u>\$ 1,466,142</u>	<u>\$ 1,519,624</u>	<u>\$ 53,482</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Health Unit Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 460,000	\$ 562,434	\$ 596,639	\$ 34,205
State funds -				
State revenue sharing	27,000	30,161	43,697	13,536
Interest income	<u>6,500</u>	<u>13,072</u>	<u>13,879</u>	<u>807</u>
Total revenues	<u>493,500</u>	<u>605,667</u>	<u>654,215</u>	<u>48,548</u>
Expenditures:				
Current -				
Health and welfare	<u>422,050</u>	<u>259,356</u>	<u>256,581</u>	<u>2,775</u>
Excess of revenues over expenditures	71,450	346,311	397,634	51,323
Fund balance, beginning	<u>3,440,997</u>	<u>3,440,997</u>	<u>3,440,997</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,512,447</u>	<u>\$ 3,787,308</u>	<u>\$ 3,838,631</u>	<u>\$ 51,323</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Library Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 750,000	\$ 843,431	\$ 924,607	\$ 81,176
State funds -				
State revenue sharing	43,500	46,748	67,729	20,981
Fees, charges and commissions	9,000	11,200	11,507	307
Interest income	6,000	13,811	13,879	68
Other revenue	150	-	-	-
Total revenues	<u>808,650</u>	<u>915,190</u>	<u>1,017,722</u>	<u>102,532</u>
Expenditures:				
Current -				
Culture and recreation	<u>808,150</u>	<u>742,599</u>	<u>893,652</u>	<u>(151,053)</u>
Excess of revenues over expenditures	500	172,591	124,070	(48,521)
Fund balance, beginning	<u>2,909,006</u>	<u>2,909,006</u>	<u>2,909,006</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,909,506</u>	<u>\$ 3,081,597</u>	<u>\$ 3,033,076</u>	<u>\$ (48,521)</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Road District No.2 Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Ad valorem tax	\$ 760,000	\$ 729,543	\$ 770,541	\$ 40,998
State funds -				
State revenue sharing	<u>49,000</u>	<u>49,642</u>	<u>74,430</u>	<u>24,788</u>
Total revenues	<u>809,000</u>	<u>779,185</u>	<u>844,971</u>	<u>65,786</u>
Expenditures:				
Current -				
Public works	<u>790,500</u>	<u>589,372</u>	<u>537,007</u>	<u>52,365</u>
Excess of revenues over expenditures	18,500	189,813	307,964	118,151
Fund balance, beginning	<u>613,827</u>	<u>613,827</u>	<u>613,827</u>	-
Fund balance, ending	<u>\$ 632,327</u>	<u>\$ 803,640</u>	<u>\$ 921,791</u>	<u>\$ 118,151</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended December 31, 2019

(1) Budgets and Budgetary Accounting

The Avoyelles Parish Police Jury follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary-Treasurer prepares and submits the proposed budget to the parish governing authority prior to the fifteenth day of the fiscal year for which the budget is to be applicable.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Avoyelles Parish Police Jury.

(2) Excess of Expenditures over Appropriations

The General, Road and Bridge, Solid Waste, Drainage, and Library Funds incurred expenditures in excess of appropriations.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Employer's Share of Net Pension Liability\ (Asset)
For the Year Ended December 31, 2019

Year ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability\ (Asset)
Parochial Employees Retirement System - Plan B: *					
2015	1.420770%	\$ 3,946	\$ 1,206,037	0.3%	99.89%
2016	1.344612%	\$ 239,402	\$ 1,292,378	18.5%	93.48%
2017	1.223272%	\$ 158,912	\$ 1,218,607	13.0%	94.15%
2018	1.229914%	\$ (154,748)	\$ 1,243,207	12.4%	104.02%
2019	1.209761%	\$ 326,835	\$ 1,265,595	25.8%	91.93%
Louisiana State Employees' Retirement System: **					
2015	0.000530%	\$ 35,776	\$ 9,600	372.7%	62.70%
2016	0.000530%	\$ 41,854	\$ 9,600	436.0%	57.70%
2017	0.000540%	\$ 38,080	\$ 9,600	396.7%	62.50%
2018	0.000522%	\$ 35,327	\$ 9,600	368.0%	64.30%
2019	0.000500%	\$ 36,225	\$ 9,600	377.3%	62.90%
Registrar of Voters Retirement System: **					
2015	0.160660%	\$ 39,346	\$ 21,792	180.6%	76.86%
2016	0.158640%	\$ 45,014	\$ 21,792	206.6%	73.98%
2017	0.159100%	\$ 34,924	\$ 21,792	160.3%	80.51%
2018	0.157082%	\$ 37,078	\$ 21,792	170.1%	80.57%
2019	0.158677%	\$ 29,673	\$ 21,792	136.2%	84.83%

* The amounts presented have a measurement date of the previous year.

** The amounts presented have a measurement date of June 30.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become become available.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2019

Year ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Parochial Employees Retirement System - Plan B:					
2015	\$ 116,314	\$ 116,314	\$ -	\$ 1,292,378	9.00%
2016	\$ 97,333	\$ 97,333	\$ -	\$ 1,218,607	8.00%
2017	\$ 99,457	\$ 99,457	\$ -	\$ 1,243,207	8.00%
2018	\$ 94,920	\$ 94,920	\$ -	\$ 1,265,595	7.50%
2019	\$ 91,676	\$ 91,676	\$ -	\$ 1,222,352	7.50%
Louisiana State Employees' Retirement System:					
2015	\$ 3,722	\$ 3,722	\$ -	\$ 9,600	38.77%
2016	\$ 3,650	\$ 3,650	\$ -	\$ 9,600	38.02%
2017	\$ 3,706	\$ 3,706	\$ -	\$ 9,600	38.60%
2018	\$ 3,811	\$ 3,811	\$ -	\$ 9,600	39.70%
2019	\$ 4,051	\$ 4,051	\$ -	\$ 9,600	42.20%
Registrar of Voters Retirement System:					
2015	\$ 5,094	\$ 5,094	\$ -	\$ 21,792	23.38%
2016	\$ 4,631	\$ 4,631	\$ -	\$ 21,792	21.25%
2017	\$ 4,032	\$ 4,032	\$ -	\$ 21,792	18.50%
2018	\$ 3,705	\$ 3,705	\$ -	\$ 21,792	17.00%
2019	\$ 3,924	\$ 3,924	\$ -	\$ 21,792	18.00%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Retirement System Schedules
For the Year Ended December 31, 2019

(1) Pension Plans

Changes of Benefit Terms –

There were no changes of benefit terms.

Changes of assumptions -

Year ended December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
*Parochial Employees Retirement System - Plan B:					
2015	7.25%	7.25%	3.00%	4	5.75%
2016	7.00%	7.00%	2.50%	4	5.25%
2017	7.00%	7.00%	2.50%	4	5.25%
2018	6.75%	6.75%	2.50%	4	5.25%
2019	6.50%	6.50%	2.40%	4	4.25%
**Louisiana State Employees' Retirement System:					
2015	7.75%	7.75%	3.00%	3	4.00% - 14.50%
2016	7.75%	7.75%	3.00%	3	5.50% - 14.50%
2017	7.70%	7.70%	2.80%	3	2.80% - 14.30%
2018	7.65%	7.65%	2.75%	3	3.40% - 14.30%
2019	7.60%	7.60%	2.50%	2	3.20% - 14.00%
**Registrar of Voters Retirement System:					
2015	7.00%	7.00%	2.50%	5	3.50%
2016	7.00%	7.00%	2.50%	5	3.50%
2017	6.75%	6.75%	2.50%	5	6.00%
2018	6.50%	6.50%	2.40%	5	6.00%
2019	6.50%	6.50%	2.40%	5	6.00%

**The amounts presented have a measurement date of the previous year end.*

***The amounts presented have a measurement date of June 30.*

**OTHER FINANCIAL
INFORMATION**

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Governmental Funds

Combining Balance Sheet
 December 31, 2019

	Special Revenue	Capital Projects	Road District Debt Service Fund	Total
ASSETS				
Cash and interest-bearing deposits	\$ 508,697	\$ 101,704	\$ 99,798	\$ 710,199
Receivables, net	25,297	-	-	25,297
Due from other governments	-	5,000	-	5,000
Total assets	\$ 533,994	\$ 106,704	\$ 99,798	\$ 740,496
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	\$ 15,978	\$ 5,000	\$ -	\$ 20,978
Accrued liabilities	3,927	-	-	3,927
Unearned revenue	37,652	60,000	-	97,652
Due to other funds	25,621	-	-	25,621
Total liabilities	83,178	65,000	-	148,178
Fund balances (deficit):				
Restricted -				
Economic development	209,952	24,677	-	234,629
Public safety	25,829	-	-	25,829
Public works	-	77,018	-	77,018
Health and welfare	231,741	-	-	231,741
Debt service	-	-	99,798	99,798
Unassigned (deficit)	(16,706)	(59,991)	-	(76,697)
Total fund balances	450,816	41,704	99,798	592,318
Total liabilities and fund balances	\$ 533,994	\$ 106,704	\$ 99,798	\$ 740,496

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 2019

	Special Revenue	Capital Projects	Road District Debt Service	Total
Revenues:				
Taxes -				
Ad valorem	\$ -	\$ -	\$ 95,074	\$ 95,074
Sales taxes	135,347	-	-	135,347
Intergovernmental revenues -				
Federal grants	707,657	8,948	-	716,605
State funds:				
State revenue sharing	12,500	-	-	12,500
Fees, charges and commissions	201,741	10,000	-	211,741
Interest income	4,892	1,516	45	6,453
Other revenues	150,072	-	-	150,072
Total revenues	1,212,209	20,464	95,119	1,327,792
Expenditures:				
Current -				
Economic development	177,532	-	-	177,532
Culture and recreation	9,368	-	-	9,368
Health and welfare	754,853	-	-	754,853
Public safety	193,519	-	-	193,519
Public works	15,421	8,948	-	24,369
Debt service -				
Principle payments	-	-	94,000	94,000
Interest expense	-	-	19,354	19,354
Total expenditures	1,150,693	8,948	113,354	1,272,995
Excess (deficiency) of revenues over expenditures	61,516	11,516	(18,235)	54,797
Fund balances, beginning	389,300	30,188	118,033	537,521
Fund balances, ending	\$ 450,816	\$ 41,704	\$ 99,798	\$ 592,318

NONMAJOR SPECIAL REVENUE FUNDS

Law Enforcement Fund

To account for court costs which are then used to pay expenses related to the 12th Judicial District court and transfer funds to the Off-Duty Witness Fees fund as needed.

Tricia Park Sewer Fund

To account for the operation and maintenance of the Tricia Park Sewerage System. Financing is provided by charges to customers and operating transfers from the General Fund.

Off-Duty Witness Fees Fund

To account for court costs used to pay off-duty officers for their testimony in criminal cases.

Tourist Commission Fund

To account for revenues and subsequent disbursements used to encourage the development of tourism in Avoyelles Parish. Primary sources of revenues is the 5% hotel/motel tax levied upon the occupancy of hotel and motel rooms and overnight camping facilities.

Criminal Court Fund

To account for the receipt of court fees and fines and the subsequent disbursement of these receipts for salaries and operating expenses of the criminal court. Operation is also financed by transfers from the General Fund.

Section 8 HUD - Program

To account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The Monies are used to aid low income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet
 December 31, 2019

	Law Enforcement	Tricia Park Sewer	Off-Duty Witness Fees	Tourist Commission	Criminal Court	Section 8	Total
ASSETS							
Cash and interest-bearing deposits	\$ 12,727	\$ -	\$ 4,167	\$ 208,469	\$ 1,548	\$ 281,786	\$ 508,697
Receivables, net	<u>615</u>	<u>-</u>	<u>615</u>	<u>11,221</u>	<u>12,846</u>	<u>-</u>	<u>25,297</u>
Total assets	<u>\$ 13,342</u>	<u>\$ -</u>	<u>\$ 4,782</u>	<u>\$ 219,690</u>	<u>\$ 14,394</u>	<u>\$ 281,786</u>	<u>\$ 533,994</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts and other payables	\$ -	\$ -	\$ 650	\$ 8,063	\$ -	\$ 7,265	\$ 15,978
Accrued liabilities	-	-	-	812	-	3,115	3,927
Unearned revenue	-	-	-	-	-	37,652	37,652
Due to other funds	<u>516</u>	<u>16,706</u>	<u>-</u>	<u>863</u>	<u>5,523</u>	<u>2,013</u>	<u>25,621</u>
Total liabilities	<u>516</u>	<u>16,706</u>	<u>650</u>	<u>9,738</u>	<u>5,523</u>	<u>50,045</u>	<u>83,178</u>
Fund balances:							
Restricted -							
Economic development	-	-	-	209,952	-	-	209,952
Public safety	12,826	-	4,132	-	8,871	-	25,829
Health and welfare	-	-	-	-	-	231,741	231,741
Unassigned (deficit)	<u>-</u>	<u>(16,706)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,706)</u>
Total fund balances	<u>12,826</u>	<u>(16,706)</u>	<u>4,132</u>	<u>209,952</u>	<u>8,871</u>	<u>231,741</u>	<u>450,816</u>
Total liabilities and fund balances	<u>\$ 13,342</u>	<u>\$ -</u>	<u>\$ 4,782</u>	<u>\$ 219,690</u>	<u>\$ 14,394</u>	<u>\$ 281,786</u>	<u>\$ 533,994</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2019

	<u>Law Enforcement</u>	<u>Tricia Park Sewer</u>	<u>Off-Duty Witness Fees</u>	<u>Tourist Commission</u>
Revenues:				
Sales taxes	\$ -	\$ -	\$ -	\$ 135,347
Intergovernmental revenues -				
Federal grants	-	-	-	-
State funds -				
State revenue sharing	-	-	-	12,500
Fees, charges and commissions	11,226	5,871	9,082	4,713
Interest income	181	-	74	1,720
Other revenues	-	-	-	76,047
Total revenues	<u>11,407</u>	<u>5,871</u>	<u>9,156</u>	<u>230,327</u>
Expenditures:				
Current -				
Economic development	-	-	-	177,532
Culture and recreation	-	-	-	9,368
Health and welfare	-	-	-	-
Public safety	10,633	-	4,711	-
Public works	-	15,421	-	-
Total expenditures	<u>10,633</u>	<u>15,421</u>	<u>4,711</u>	<u>186,900</u>
Excess (deficiency) of revenues over expenditures	774	(9,550)	4,445	43,427
Fund balances (deficit), beginning	<u>12,052</u>	<u>(7,156)</u>	<u>(313)</u>	<u>166,525</u>
Fund balances (deficit), ending	<u>\$ 12,826</u>	<u>\$ (16,706)</u>	<u>\$ 4,132</u>	<u>\$ 209,952</u>

<u>Criminal Court</u>	<u>Section 8</u>	<u>Total</u>
\$ -	\$ -	\$ 135,347
-	707,657	707,657
-	-	12,500
170,849	-	201,741
100	2,817	4,892
<u>12,065</u>	<u>61,960</u>	<u>150,072</u>
<u>183,014</u>	<u>772,434</u>	<u>1,212,209</u>
-	-	177,532
-	-	9,368
-	754,853	754,853
178,175	-	193,519
<u>-</u>	<u>-</u>	<u>15,421</u>
<u>178,175</u>	<u>754,853</u>	<u>1,150,693</u>
4,839	17,581	61,516
<u>4,032</u>	<u>214,160</u>	<u>389,300</u>
<u>\$ 8,871</u>	<u>\$ 231,741</u>	<u>\$ 450,816</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Bayou Lacombe Drainage Project

To account for the cost to clean out and dredge the existing Bayou Lacombe channel. Funding to be provided by local funds in the amount of \$178,000 and a DOTD grant in the amount of \$291,000.

Casino Capital Improvements

To account for the accumulation of resources for, and payment of, cost to construct and improve public roads and bridges.

Downtown Marksville Restoration Project

To account for the cost of improvements for downtown Marksville. These improvements are funded by the Clerk of Court and operating funds of the Police Jury.

LSU Agriculture Center/ 4-H Museum

To account for the cost of building a county agents office and 4-H museum which will also house the Avoyelles Parish Commission of Tourism.

Bordelonville Volunteer Fire Department 2007 LCDBG

To account for funds appropriated by Bordelonville Fire Department to the Police Jury to hire a consultant to carry out all administrative activities related to the grant. These funds will be used to enlarge the water system for the Volunteer Fire Department.

Industrial Park Grant

To account for revenues and expenditures related to a grant received for capital improvements to the Industrial Park Road in Mansura, LA.

EECBG - Library

To account for revenues and expenditures related to a grant received for energy efficient capital improvements to the public Libraries.

Courtoom Renovations

To account for revenues and expenditures related to an intergovernmental agreement with the Avoyelles Assessor's Office for improvements to the courtrooms

LCDBG Ike Gustav

To account for the receipt of and expenditures of grant proceeds related to the implementation of recovery programs designed to address the impact of Hurricanes Ike and Gustav.

Blair Road LCDBG

To account for revenues and expenditures related to a grant received from the State of Louisiana Division of Administration for water system improvements along Blair road.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Capital Projects Funds

Balance Sheet
 December 31, 2019

	Bayou Lacombe Drainage Project	Casino Capital Improvements	Downtown Marksville Restoration Project	LSU Ag Center / 4-H Museum
ASSETS				
Cash and interest-bearing deposits	\$ 68,353	\$ 5,789	\$ 123	\$ 4,637
Due from other governments	-	-	-	-
Total assets	\$ 68,353	\$ 5,789	\$ 123	\$ 4,637
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
	-	-	-	-
Fund balances (deficit):				
Restricted for -				
Public works	68,353	5,789	-	-
Economic development	-	-	123	4,637
Unassigned (deficit)	-	-	-	-
Total fund balances	68,353	5,789	123	4,637
Total liabilities and fund balances	\$ 68,353	\$ 5,789	\$ 123	\$ 4,637

Bordelonville V.F.D. 2007 LCDBG	Industrial Park Grant	EECBG Library	Courtroom Renovations	LCDBG Ike Gustav	Blair Road LCDBG	Total
\$ 968	\$ 19,917	\$ 1,841	\$ 9	\$ 15	\$ 52	\$ 101,704
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<u>\$ 968</u>	<u>\$ 19,917</u>	<u>\$ 1,841</u>	<u>\$ 9</u>	<u>\$ 5,015</u>	<u>\$ 52</u>	<u>\$ 106,704</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>5,000</u>	<u>-</u>	<u>65,000</u>
968	-	1,841	-	15	52	77,018
-	19,917	-	-	-	-	24,677
<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,991)</u>	<u>-</u>	<u>-</u>	<u>(59,991)</u>
<u>968</u>	<u>19,917</u>	<u>1,841</u>	<u>(59,991)</u>	<u>15</u>	<u>52</u>	<u>41,704</u>
<u>\$ 968</u>	<u>\$ 19,917</u>	<u>\$ 1,841</u>	<u>\$ 9</u>	<u>\$ 5,015</u>	<u>\$ 52</u>	<u>\$ 106,704</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Capital Projects Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 2019

	Bayou Lacombe Drainage	Casino Capital Improvements	Downtown Marksville Restoration Project	LSU Ag Center / 4-H Museum
Revenues:				
Intergovernmental -				
Federal grants	\$ -	\$ -	\$ -	\$ -
Fees, charges, and commissions	-	-	-	-
Interest income	<u>464</u>	<u>868</u>	<u>1</u>	<u>35</u>
Total revenues	<u>464</u>	<u>868</u>	<u>1</u>	<u>35</u>
 Expenditures:				
Current -				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess of revenues over expenditures	464	868	1	35
 Fund balances, beginning	<u>67,889</u>	<u>4,921</u>	<u>122</u>	<u>4,602</u>
 Fund balances, ending	<u>\$ 68,353</u>	<u>\$ 5,789</u>	<u>\$ 123</u>	<u>\$ 4,637</u>

Bordelonville V.F.D. 2007 LCDBG	Industrial Park Grant	EECBG Library	Courtroom Renovations	LCBG Ike Gustav	Blair Road LCDBG	Total
\$ -	\$ -	\$ -	\$ -	\$ 8,948	\$ -	\$ 8,948
-	-	-	10,000	-	-	10,000
<u>-</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,516</u>
<u>-</u>	<u>148</u>	<u>-</u>	<u>10,000</u>	<u>8,948</u>	<u>-</u>	<u>20,464</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,948</u>	<u>-</u>	<u>8,948</u>
-	148	-	10,000	-	-	11,516
<u>968</u>	<u>19,769</u>	<u>1,841</u>	<u>(69,991)</u>	<u>15</u>	<u>52</u>	<u>30,188</u>
<u>\$ 968</u>	<u>\$ 19,917</u>	<u>\$ 1,841</u>	<u>\$ (59,991)</u>	<u>\$ 15</u>	<u>\$ 52</u>	<u>\$ 41,704</u>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana
LCDBG Balance Sheet
For the Year Ended December 31, 2019

ASSETS

Cash	\$	15
Grant revenue receivable		<u>5,000</u>
Total assets	\$	<u>5,015</u>

LIABILITIES AND FUND BALANCES

Liabilities:		
Accounts payable	\$	5,000
Fund balances (deficit):		
Restricted - Public works		<u>15</u>
Total liabilities and fund balances	\$	<u>5,015</u>

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 LCDBG Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 2019

Revenues:	
LCDBG Program	\$ 8,948
Expenditures:	
Current -	
Acquisition Services	5,000
Engineering Services	<u>3,948</u>
Total expenditures	<u>8,948</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>
Fund balances, beginning	<u>15</u>
Fund balances, ending	<u><u>\$ 15</u></u>

AVOYELLES PARISH POLICE JURY

Financial Data Schedule - Balance Sheet
 Section 8 Housing Program
 December 31, 2019

Line Item Number	Account Description	14.871 Housing Choice Vouchers	14.IKE DHAP- IKE	97.109 Housing Assistance Grant	Total
111	Cash - unrestricted	\$ 60,838	\$ 159,499	\$ 55,757	\$ 276,094
113	Cash - other restricted	<u>7,778</u>	<u>-</u>	<u>-</u>	<u>7,778</u>
100	Total cash	<u>68,616</u>	<u>159,499</u>	<u>55,757</u>	<u>283,872</u>
150	Total current assets	<u>68,616</u>	<u>159,499</u>	<u>55,757</u>	<u>283,872</u>
164	Furniture, equipment & machinery - administration	42,306	-	-	42,306
166	Accumulated depreciation	<u>(41,024)</u>	<u>-</u>	<u>-</u>	<u>(41,024)</u>
160	Total capital assets, net of accumulated depreciation	<u>1,282</u>	<u>-</u>	<u>-</u>	<u>1,282</u>
180	Total noncurrent assets	<u>1,282</u>	<u>-</u>	<u>-</u>	<u>1,282</u>
190	Total assets	<u>\$ 69,898</u>	<u>\$ 159,499</u>	<u>\$ 55,757</u>	<u>\$ 285,154</u>
312	Accounts Payable <= 90 Days	\$ 818	\$ -	\$ -	\$ 818
322	Accrued compensation absences - current portion	777	-	-	777
342	Unearned revenue	<u>1,392</u>	<u>-</u>	<u>36,260</u>	<u>37,652</u>
310	Total current liabilities	<u>2,987</u>	<u>-</u>	<u>36,260</u>	<u>39,247</u>
300	Total liabilities	<u>2,987</u>	<u>-</u>	<u>36,260</u>	<u>39,247</u>
508.4	Net investment in capital assets	1,282	-	-	1,282
511.4	Restricted net position	7,778	-	-	7,778
512.4	Unrestricted net position	<u>57,851</u>	<u>159,499</u>	<u>19,497</u>	<u>236,847</u>
513	Total equity - net position	<u>66,911</u>	<u>159,499</u>	<u>19,497</u>	<u>245,907</u>
600	Total liabilities and net position	<u>\$ 69,898</u>	<u>\$ 159,499</u>	<u>\$ 55,757</u>	<u>\$ 285,154</u>

AVOYELLES PARISH POLICE JURY

Financial Data Schedule - Income Statement
 Section 8 Housing Program
 Year Ended December 31, 2019

Line Item Number	Account Description	14.871 Housing Choice Vouchers	14.IKE DHAP- IKE	97.109 Housing Assistance Grant	Total
70600	HUD PHA operating grants	\$ 625,600	\$ -	\$ -	\$ 625,600
71100	Investment income - unrestricted	2,817	-	-	2,817
71400	Fraud recovery	824	-	-	824
71500	Other revenue	<u>55,388</u>	<u>-</u>	<u>-</u>	<u>55,388</u>
70000	Total revenue	<u>684,629</u>	<u>-</u>	<u>-</u>	<u>684,629</u>
91100	Administrative salaries	41,656	-	-	41,656
91200	Auditing fees	775	-	-	775
91500	Employee benefit contributions- administrative	13,656	-	-	13,656
91600	Office expenses	15,440	-	-	15,440
91800	Travel	525	-	-	525
91900	Other	<u>1,180</u>	<u>-</u>	<u>-</u>	<u>1,180</u>
91000	Total operating - administrative	<u>73,232</u>	<u>-</u>	<u>-</u>	<u>73,232</u>
94300	Ordinary Maintenance and Operations Contracts	<u>903</u>	<u>-</u>	<u>-</u>	<u>903</u>
94000	Total Maintenance	<u>903</u>	<u>-</u>	<u>-</u>	<u>903</u>
96130	Workmen's Compensation	<u>246</u>	<u>-</u>	<u>-</u>	<u>246</u>
96100	Total insurance premiums	<u>246</u>	<u>-</u>	<u>-</u>	<u>246</u>
96200	Other general expenses	1,481	-	-	1,481
96210	Compensated absences	<u>19</u>	<u>-</u>	<u>-</u>	<u>19</u>
96000	Total other general expenses	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
96900	Total operating expenses	<u>75,881</u>	<u>-</u>	<u>-</u>	<u>75,881</u>
97000	Excess operating revenue over operating expenses	<u>608,748</u>	<u>-</u>	<u>-</u>	<u>608,748</u>
97300	Housing assistance payments	545,970	-	-	545,970
97350	HAP Portability-In	49,825	-	-	49,825
97400	Depreciation expense	<u>2,285</u>	<u>-</u>	<u>-</u>	<u>2,285</u>
90000	Total expenses	<u>673,961</u>	<u>-</u>	<u>-</u>	<u>673,961</u>
10000	Excess (deficiency) of revenue over (under) expenses	<u>10,668</u>	<u>-</u>	<u>-</u>	<u>10,668</u>
11030	Beginning equity	<u>56,243</u>	<u>159,499</u>	<u>19,497</u>	<u>235,239</u>
11170	Administrative fee equity	<u>59,133</u>	<u>-</u>	<u>-</u>	<u>59,133</u>
11180	Housing assistance payments equity	<u>\$ 7,778</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,778</u>
11190	Unit months available	1,481	-	-	1,481
11210	Unit months leased	1,365	-	-	1,365

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

To the Members of the Police Jury
Avoyelles Parish
Marksville, 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 in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury (Police Jury), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated August 05, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questions costs as items 2019-001 and 2019-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2019-003.

Avoyelles Parish Police Jury's Response to Findings

Avoyelles Parish Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
August 05, 2020

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Avoyelles Parish Police Jury's (Police Jury) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2019. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

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

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
August 05, 2020

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Identifying No.	Expenditures
Department of Housing and Urban Development -			
Direct Program -			
Section 8 Housing Choice Vouchers - Housing Voucher Cluster	14.871		\$ 707,657
Passed-through Louisiana Division of Administration, Office of Finance and Support Services:			
Community Development Block Grants	14.228	684281	<u>8,948</u>
Total Department of Housing and Urban Development			<u>716,605</u>
Department of the Interior			
Direct Program -			
Payments in Lieu of Taxes	15.226		<u>1,965</u>
Department of Transportation			
Passed-through State of Louisiana Office of Community Development			
Formula Grants for Rural Areas	20.509	LA-2016-007-00	<u>123,223</u>
Total Department of Transportation			
Department of Homeland Security -			
Passed-through State of Louisiana Military Department of Homeland Security and Emergency Preparedness Disaster Grants:			
Emergency Management Performance Grant	97.042	EMT-2018-EP-00003-S01	696
Emergency Management Performance Grant	97.042	EMT-2018-EP-00001-S01	21,080
Emergency Management Performance Grant	97.042	OEP	<u>3,183</u>
Total Emergency Management Performance Grants - CFDA #97.042			<u>24,959</u>
Homeland Security Grant Program	97.067	EMW-2017-SS-00058-S01	<u>1,313</u>
Total Department of Homeland Security			<u>26,272</u>
Total Federal Awards			<u>\$ 868,065</u>

The accompanying notes are an intergral part of this schedule.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Avoyelles Parish Police Jury (Police Jury) under programs of the federal government for the year ended December 31, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Police Jury, it is not intended to and does not present the financial position, or changes in net assets of the Police Jury.

(2) Basis of Accounting

Expenditures reported on the accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. Such expenditures are recognized following the principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The Police Jury has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury were prepared in accordance with GAAP. Additionally, the auditor's report expresses an adverse opinion on the financial statements of the aggregately discretely presented component units of the Avoyelles Parish Police Jury, because the Police Jury does not issue reporting entity financial statements to include all component units.
2. Two deficiencies in internal control were disclosed during the audit of the financial statements which were considered to be significant deficiencies. No material weaknesses were reported.
3. One instance of noncompliance material to the financial statements of the Avoyelles Parish Police Jury, which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. No significant deficiencies in internal control over the major federal program were disclosed by during the audit. No material weaknesses were reported.
5. The auditor's report on compliance for the major federal award program for the Avoyelles Parish Police Jury expresses an unmodified opinion on the major federal program.
6. The audit disclosed no findings required to be reported under 2 CFR section 200.516(a) of the Uniform Guidance.
7. The program tested as major was the U.S. Department of Housing and Urban Development Section 8 Housing Choice Vouchers (CFDA 14.871).
8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The Avoyelles Parish Police Jury did not qualify as a low-risk auditee.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

Part II. Findings – Financial Statement Audit

A. **Internal Control Findings -**

See internal control findings 2019-001 and 2019-002 on the schedule of current and prior year audit findings and management's corrective action plan.

B. **Compliance Findings –**

See compliance finding 2019-003 on the schedule of current and prior year audit findings and management's corrective action plan.

Part III. Findings and questioned costs – Federal Award Programs

A. **Internal Control Findings –**

No internal control findings reported.

B. **Compliance Findings -**

No compliance findings reported.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2019

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

2019-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The Avoyelles Parish Police Jury did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

CAUSE: The cause of the condition is the fact that the Police Jury does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury concurs with the audit finding. Due to the size of staffing, the achievement of adequate segregation of duties is desirable, but cost prohibitive. All efforts are made to segregate duties where feasible. In an effort to establish more sound controls the Police Jury monitors activity and balances in all fund accounts.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2019

2019-002 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: 2007

CONDITION: Management and staff lack the expertise and/or experience in the selection and application of generally accepted accounting principles, as applicable to governmental entities in the financial statement preparation process.

CRITERIA: The Police Jury's internal control over financial reporting includes policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements, including the ability of management and staff to detect potential misstatements that may exist in the financial statements and related disclosures."

CAUSE: The cause of the condition results from a reliance on the external auditor as part of the internal control process.

EFFECT: Financial statements and related supporting transactions may reflect a departure from generally accepted accounting principles.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: We evaluated the cost vs. benefit of establishing enhanced internal controls over financial statement preparation and determined that it would not be cost effective to enhance these controls. Currently, our financial staff receive annual training related to their job duties and we carefully review the financial statements, related notes, and proposed adjustments. All questions are adequately addressed by our auditors which allows us to appropriately supervise these functions. We feel the appropriate steps have been taken to reduce the financial statement risk related to this finding.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2019

B. Compliance

2019-003 Budget Noncompliance

Fiscal year finding initially occurred: 2019

CONDITION: Actual expenditures exceeded budgeted expenditures by more than 5% in the Library Fund.

CRITERIA: LSA-RS39:1311 et seq, Budgetary Authority and Control, provides for budget amendments when:

“A (2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.”

CAUSE: The Police Jury failed to properly amend the budget as needed throughout the year.

EFFECT: The Police Jury may not prevent and/or detect compliance violations due to over expenditure of the appropriated budget, and/or errors or irregularities on a timely basis.

RECOMMENDATION: The Police Jury should periodically compare actual financial activity to budgeted amounts and adopt budgetary amendments, as necessary, to ensure compliance with state statute.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury will adhere to the provisions of LSA-RS 39:1911 et seq by monitoring its financial statements closely and amending the budget when actual plus projected expenditures exceed budgeted expenditures by five percent or more.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Functions

CONDITION: The Avoyelles Parish Police Jury did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2019

employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

CURRENT STATUS: Unresolved. See item 2019-001.

2018-002 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Avoyelles Parish Police Jury does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: Unresolved. See item 2019-002.

B. Internal Control Over Compliance

2018-003 Eligibility

Fiscal year finding initially occurred: 2018

CONDITION: The Avoyelles Parish Police Jury did not maintain the required documentation for four tenant files tested.

RECOMMENDATION: The Avoyelles Parish Police Jury should implement and enforce adequate internal controls over record retentions and conduct a periodical review of the tenant files to ensure that proper documentation is being retained.

CURRENT STATUS: Resolved. Management of the Section 8 Program contacted HUD for guidance on addressing the documentation missing from the tenant's files. Internal controls have been implemented to monitor compliance with the tenant eligibility requirements of the Program.

Avoyelles Parish Police Jury

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**KEVIN P. BORDELON
CIVIL WORKS
DIRECTOR**

**KEITH GREENHOUSE
PARISH
SUPERINTENDENT**

Avoyelles Parish Police Jury respectfully submits the following corrective action plan for the year ended December 31, 2019.

Audit conducted by:

Kolder, Slaven & Company, LLC
1428 Metro Drive
Alexandria, LA 71301

Audit Period: Fiscal year ended December 31, 2019

The findings from the December 31, 2019 schedule of findings and questioned costs are discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING – FINANCIAL AUDIT

Significant Deficiencies

2019-001 **RECOMMENDATION:** Management should evaluate the cost benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury concurs with the audit finding. Due to the size of staffing, the achievement of adequate segregation of duties is desirable, but cost prohibitive. All efforts are made to segregate duties where feasible. In an effort to establish more sound controls the Police Jury monitors activity and balances in all fund accounts.

2019-002 **RECOMMENDATION:** Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: We evaluated the cost vs. benefit of establishing enhanced internal controls over financial statement preparation and determined that it would not be cost effective to enhance these controls. Currently, our financial staff receive annual training related to their job duties and we carefully review the financial statements, related notes, and proposed adjustments. All questions are adequately addressed by our auditors which allows us to appropriately supervise these functions. We feel the appropriate steps have been taken to reduce the financial statement risk related to this finding.

Compliance

2019-003 RECOMMENDATION: The Police Jury should implement internal controls to ensure periodic comparison of actual financial activity to budgeted amounts, as well as adoption of budgetary amendments, as determined to be necessary.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury will adhere to the provisions of LSA-RS 39:1911 et seq by monitoring its financial statements closely and amending the budget when actual plus projected expenditures exceed budgeted expenditures by five percent or more.

If there are questions regarding the plan, please call Jamey Wiley, Secretary/Treasurer, at 318-253-9208.

Sincerely,

Jamey Wiley
Secretary/Treasurer

Avoyelles Parish Police Jury
Marksville, Louisiana

Statewide Agreed-Upon Procedures Report

Fiscal Period January 1, 2019 through December 31, 2019

KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA* - retired 2020

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the Avoyelles Parish
Police Jury, Marksville, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Avoyelles Parish Police Jury, Louisiana ("Entity") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving.

- 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).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***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)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***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 system and software patches/ updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

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

- b) For those entities reporting on the governmental accounting model, we observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, we obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. Obtained 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 selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected 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 observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.

- 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.
 - 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.
 - 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.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:
- a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and

procedures, inquired of employees about their job duties), and observed 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.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - 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.
 - d) Either the employee/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.
10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
- a) Observed that the disbursement matched the related original invoice/billing statement.
 - b) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtained 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. Obtained management's representation that the listing is complete.
12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
- a) Observed 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, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each

statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed 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).

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

14. Obtained 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 selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtained 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. Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment.

- d) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:
 - a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulative leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:
 - a. Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- b. Observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

- 21. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all bonds/notes on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
- 22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

Other

- 23. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
- 24. Observed that the entity 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.

Findings:

In accordance with the Statewide Agreed-Upon Procedures, certain categories may be excluded from testing. Therefore, the following categories were not tested this year: Credit/Debit/Fuel Cards, Travel and Expense Reimbursement, Contracts, Ethics, Debt Service, and Other.

No exceptions were found as a result of applying procedures listed above except:

Written Policies:

Avoyelles Parish Police Jury does not have written policies addressing disbursements, receipts, contracting, credit cards, or disaster recovery/business continuity.

Avoyelles Parish Police Jury does not have written policies addressing how purchases are initiated, how vendors are added to the vendor list, or the preparation and approval process of purchase requisitions and purchase orders.

Avoyelles Parish Police Jury does not have written policies addressing payroll processing or reviewing and approving time and attendance records.

Avoyelles Parish Police Jury does not have written policies addressing the requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Bank Reconciliation:

Avoyelles Parish Police Jury's bank reconciliations did not include evidence of management or board review.

4 of the 5 bank reconciliations examined for the Avoyelles Parish Police Jury did not include evidence of management researching reconciling items outstanding for more than 12 months from the statement closing date.

Collections:

For one of the locations tested, the employee responsible for collecting cash is also responsible for preparing/making deposits, posting collections entries to the general ledger, and reconciling cash collections to the general ledger.

3 of the 10 deposits selected did not have evidence of the collection date on the support which prevented us from testing the timelines of the deposit.

The Avoyelles Parish Police Jury does not issue sequentially pre-number receipts.

Disbursements:

Avoyelles Parish Police Jury does not have written documentation indicating that the person responsible for processing payments is prohibited from adding vendors to the disbursement system.

The person responsible for signing checks does not mail the payments nor give the signed checks to an employee who is not responsible for processing payments for mailing.

Payroll and Personnel:

3 out of 5 employees tested had no documentation of supervisor approval of leave.

Management's Response:

Management of the Avoyelles Parish Police Jury concurs with the exceptions and are working to address the deficiencies identified.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
August 05, 2020