

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
December 31, 2020**

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INDEPENDENT AUDITORS' REPORT

Red River Parish Police Jury
Coushatta, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 auditors' 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 unmodified and adverse audit opinions.

Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Police Jury's legally separate discretely presented 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 impact on these financial statements is unknown.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on the 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 Police Jury as of December 31, 2020, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 10, the Budgetary Comparison Schedules on pages 50 to 56, the Schedule of Changes in Total Other Post-Employment Benefit Liability and Related Ratios on page 57, the Schedule of Proportionate Share of the Net Pension Liability – Cost-Sharing Plans on page 58, the Schedule of Contributions – Cost-Sharing Plans on page 59 and the notes to required supplement information on page 60, 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.

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 accompanying Schedule of Compensation Paid to Police Jurors, the Schedule of Compensation Paid to Head of Police Jury, and the Justice System Funding Schedule – Receiving Entity as Required by Act 87 of the 2020 Regular Legislative Session - Cash Basis Presentation are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation Paid to Police Jurors, the Schedule of Compensation Paid to Head of Police Jury, and the accompanying Justice System Funding Schedule as required by Act 87 of the 2020 Regular Legislative Session are the responsibility of management and were derived from and related 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 primary government 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 based on our audit, and the procedures performed as described above, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 22, 2021 on our consideration of the Red River Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Red River Parish Police Jury's internal control over financial reporting and compliance.



Baton Rouge, Louisiana
September 22, 2021

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

As financial management of the Red River Parish Police Jury (Police Jury) we offer readers of these financial statements an overview and analysis of the Police Jury's financial activities. This narrative is designed to assist readers in focusing on significant financial issues, identify changes in financial position, identify material deviations from approved budget documents (if any), and identify individual fund issues or concerns.

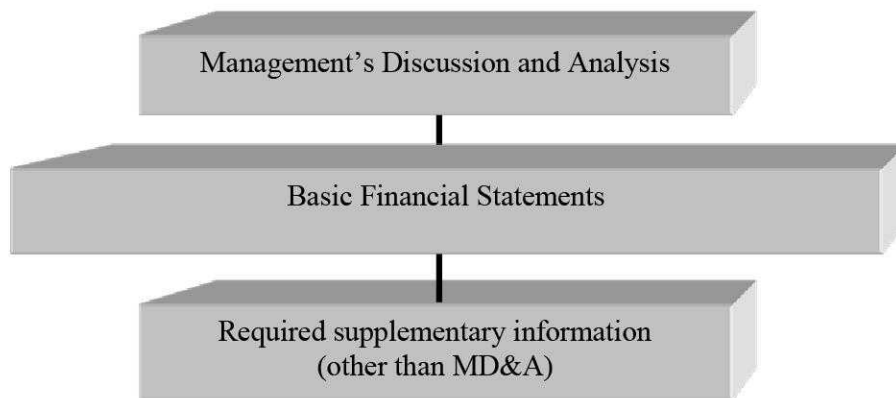
Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

- ★ Assets and deferred outflows of resources of the Police Jury's governmental activities exceeded its liabilities and deferred inflows of resources on December 31, 2020 by approximately \$66 million (net position). Of this amount, approximately \$34 million (unrestricted net position) may be used to meet ongoing obligations to our creditors.
- ★ Net position of the governmental activities increased by approximately \$3.7 million.
- ★ As of December 31, 2020, the governmental funds reported combined ending fund balances of approximately \$57 million, an increase of approximately \$3.8 million in comparison with the prior year. Approximately 25.9% of this total amount, \$14.8 million is available for spending at the Police Jury's discretion (unassigned fund balance of the General Fund).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Primary Governments established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Government-wide financial statements. The *government-wide financial statements* are designed to be similar to private sector business in that all governmental and business-type activities are consolidated into separate columns which add to a total for the primary government. The governmental activities' statements combine the Governmental Funds' current financial resources with capital assets and long-term obligations. The Police Jury charges a fee to customers to help it cover the costs of certain services it provides for the operations of the Springville Community. The Springville Community sewer system is reported as the only business-type activity of the Police Jury.

The *statement of net position* presents information on all of the Police Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as *net position*. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The *statement of activities* presents information showing how the Police Jury's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused vacation leave). The focus of the *statement of activities* is on both the gross and net cost of various activities which are provided by the Police Jury's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various Police Jury services and/or subsidies to various activities.

Governmental activities reflect those programs provided by the Police Jury to the public that are generally supported through tax dollars such as general administration, public safety, public works, recreation and culture, etc.

Fund financial statements. A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statement presentation more familiar.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the budget is developed based on the generally accepted accounting principles (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Police Jury has presented the General Fund, Sales Tax, Ambulance Service, Library, Unit 1 Road, and the Public Facilities Maintenance Funds as major funds.

Proprietary funds. *Proprietary funds* consist of an enterprise fund which is an accounting device used to account for charges for sewer services and the associated costs for operations of the sewer system for the Springville Community.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes are a required part of the basic financial statements.

FINANCIAL ANALYSIS OF THE ENTITY

Condensed Statements of Net Position
For the Years Ended December 31, 2020 and 2019

	Governmental Activities		Business-Type Activities	
	2020	2019	2020	2019
Assets				
Current and other assets	\$ 57,618,605	\$ 53,890,069	\$ 77,622	\$ 96,054
Capital assets, net	10,381,779	10,474,578	252,475	326,576
Total assets	68,000,384	64,364,647	330,097	422,630
Deferred outflows of resources	728,209	1,049,726	-	-
Liabilities				
Current liabilities	556,035	568,032	1,267	3,590
Long-term liabilities	1,326,037	2,075,848	-	-
Total liabilities	1,882,072	2,643,880	1,267	3,590
Deferred inflows of resources	603,279	199,855	-	-
Net position				
Net investment in capital asset	10,381,779	10,474,578	252,475	326,576
Restricted	21,980,479	19,420,270	-	-
Unrestricted	33,880,984	32,675,790	76,355	92,464
Total net position	\$ 66,243,242	\$ 62,570,638	\$ 328,830	\$ 419,040

- Approximately 16% of the Police Jury's governmental activities net position and 77% of the Police Jury's business-type activities as of December 31, 2020 reflects investments in capital assets (land, buildings, infrastructure, machinery, and equipment). The Police Jury uses these assets to provide services to the public consequently these assets are not available for future spending.
- Another 33% of the Police Jury's governmental activities net position is subject to external restrictions.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

FINANCIAL ANALYSIS OF THE ENTITY (continued)

- Another 51% of governmental activities net position is unrestricted, and may be used to meet ongoing obligations of the Police Jury to citizens and creditors.

Condensed Statements of Activities
For the Years Ended December 31, 2020 and 2019

	Governmental Activities		Business-Type Activities	
	2020	2019	2020	2019
Revenues				
Program revenues				
Charges for services	\$ 654,801	\$ 750,986	\$ 25,658	\$ 25,554
Operating and Capital grants and contributions	562,175	657,672	-	-
General revenues				
Ad Valorem taxes	3,598,485	3,444,363	-	-
Sales and use taxes	3,175,045	3,747,482	-	-
Severance tax	1,223,494	1,188,362	-	-
Other tax	423,119	392,277	-	-
Other general revenues	1,743,387	1,463,463	50,000	50,000
	<u>11,380,506</u>	<u>11,644,605</u>	<u>75,658</u>	<u>75,554</u>
Expenses				
General government	1,824,251	2,024,354	-	-
Public safety	1,482,085	1,608,952	-	-
Public works	3,178,940	3,763,401	-	-
Health and welfare	438,922	577,983	-	-
Recreation and culture	783,704	569,603	-	-
Sewer	-	-	165,868	170,500
	<u>7,707,902</u>	<u>8,544,293</u>	<u>165,868</u>	<u>170,500</u>
Changes in net position	<u>\$ 3,672,604</u>	<u>\$ 3,100,312</u>	<u>\$ (90,210)</u>	<u>\$ (94,946)</u>

The Police Jury's revenues are comprised primarily of tax revenue (property, sales and severance) as well as fees for services and operating grants. Property taxes and severance taxes remained consistent. Sales and use taxes increased due to normal swings in market activity. The Police Jury's expenses, overall, remained relatively consistent.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

FINANCIAL ANALYSIS OF THE POLICE JURY'S FUNDS

As noted earlier, the Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Police Jury's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Police Jury. At the end of the current fiscal year, unassigned fund balance of the general fund was approximately \$14.8 million. Total fund balance of the General Fund increased approximately \$1.6 million during 2020.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Police Jury's capital assets as of December 31, 2020, total \$10.7 million (net of accumulated depreciation) in Governmental Activities and Business-Type Activities. These assets are invested in a broad range of capital assets (see table below). These amounts represent a net decrease (including additions, prior period restatements, and retirements) of approximately 15% from the previous year. The major additions include the purchase of equipment for Unit 1 Road Fund and street improvements.

Capital Assets at Year End
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 497,849	\$ 497,849	\$ -	\$ -
Buildings and building improvements	3,369,590	3,681,934	-	-
Streets, parking lots, and other improvements	5,610,811	5,161,331	-	-
Sewer system	-	-	252,475	326,577
Furniture, equipment, and vehicles	790,361	1,019,844	-	-
Books and informational materials	113,168	113,620	-	-
Total	<u>\$ 10,381,779</u>	<u>\$ 10,474,578</u>	<u>\$ 252,475</u>	<u>\$ 326,577</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Following is the cost of certain additions for the Red River Parish Police Jury during the year ended December 31, 2020:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Buildings and building improvements	\$ 40,244	\$ -
Streets, parking lots, and other improvements	1,774,117	-
Furniture, equipment, and vehicles	73,971	-
Books and informational materials	20,882	-
Total	<u>\$ 1,909,214</u>	<u>\$ -</u>

COMPENSATED ABSENCES

The Red River Parish Police Jury had \$72,473 in compensated absences for Governmental Activities, outstanding at year-end compared to \$85,553 at the previous year-end, a decrease of \$13,080 or 15%.

Outstanding Debt at Year End

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Compensated absences payable	\$ 72,473	\$ 85,553	\$ -	\$ -
Total	<u>\$ 72,473</u>	<u>\$ 85,553</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Police Jury amended its budget primarily to reflect changes in estimated severance tax revenues and parish road royalty revenues. An analysis of the original budgets compared to final amended budget results are as follows:

Original and Final Amended Budget Comparison - General Fund

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Difference</u>
Revenue and other financing sources	\$ 2,623,750	\$ 3,180,819	\$ 557,069
Expenditures and other financing uses	(1,896,939)	(1,781,640)	115,229
Net revenues	<u>\$ 726,811</u>	<u>\$ 1,399,179</u>	<u>\$ 672,368</u>

Actual revenues were more than final budgeted revenues primarily due to the severance tax collections being more than anticipated. A comparison of the actual results to the final amended budget is reflected on the next page:

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

Final Amended Budget and Actual Results Comparison - General Fund

	Final Amended Budget	Actual Results	Difference
Revenue and other financing sources	\$ 3,180,819	\$ 3,264,201	\$ 83,382
Expenditures and other financing uses	(1,781,640)	(1,713,551)	68,089
Net revenues	\$ 1,399,179	\$ 1,550,650	\$ 101,471

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Red River Parish Police Jury's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) Fees, charges, and commissions for services
- 3) Inter-Governmental revenues (federal and state grants)

The Red River Parish Police Jury does not expect any significant changes in next year's results as compared to the current year.

COVID-19 PANDEMIC

As described in Note 16 to the financial statements, the World Health Organization declared the outbreak of the coronavirus (COVID-19) as a global pandemic. The pandemic has negatively impacted the global economy. Locally, funding sources, vendors and employees could be negatively impacted, all of which is uncertain and cannot be predicted.

CONTACTING THE RED RIVER PARISH POLICE JURY'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Red River Parish Police Jury's finances and to show the Red River Parish Police Jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jessie Davis, Red River Parish Police Jury Manager, Post Office Drawer 709, Coushatta, Louisiana 71019.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION
DECEMBER 31, 2020

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current assets			
Cash and cash equivalents	\$ 34,058,732	\$ 75,795	\$ 34,134,527
Investments	19,020,550	-	19,020,550
Receivables	4,517,360	1,827	4,519,187
Prepaid expense	21,963	-	21,963
Total current assets	<u>57,618,605</u>	<u>77,622</u>	<u>57,696,227</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>10,381,779</u>	<u>252,475</u>	<u>10,634,254</u>
Total noncurrent assets	<u>10,381,779</u>	<u>252,475</u>	<u>10,634,254</u>
 Total assets	 <u>68,000,384</u>	 <u>330,097</u>	 <u>68,330,481</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	 <u>728,209</u>	 <u>-</u>	 <u>728,209</u>
 <u>LIABILITIES</u>			
Current liabilities			
Accounts payable and accrued liabilities	445,326	1,267	446,593
Compensated absences payable - current	72,473	-	72,473
Other post-employment benefits payable - current	<u>38,236</u>	<u>-</u>	<u>38,236</u>
Total current liabilities	<u>556,035</u>	<u>1,267</u>	<u>557,302</u>
Noncurrent liabilities			
Compensated absences payable, net of current portion	-	-	-
Net pension liability	128,683	-	128,683
Other post-employment benefits payable - noncurrent	<u>1,197,354</u>	<u>-</u>	<u>1,197,354</u>
Total noncurrent liabilities	<u>1,326,037</u>	<u>-</u>	<u>1,326,037</u>
 Total liabilities	 <u>1,882,072</u>	 <u>1,267</u>	 <u>1,883,339</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	 <u>603,279</u>	 <u>-</u>	 <u>603,279</u>
 <u>NET POSITION</u>			
Net investment in capital assets	10,381,779	252,475	10,634,254
Restricted for:			
Sales tax dedicated for the maintenance of ambulances, the costs to provide services, and tourism	6,623,190	-	6,623,190
Dedicated property taxes for library services	10,617,243	-	10,617,243
Dedicated property taxes for health unit services and construction	4,132,975	-	4,132,975
External legal constraints for juror and witness compensation	203,633	-	203,633
External legal constraints for federal and state grant programs	403,438	-	403,438
Unrestricted	<u>33,880,984</u>	<u>76,355</u>	<u>33,957,339</u>
Total net position	<u>\$ 66,243,242</u>	<u>\$ 328,830</u>	<u>\$ 66,572,072</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Expenses	Program Revenues			Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities:							
General government	\$ 1,824,251	\$ 169,538	\$ 430,071	\$ -	\$ (1,224,642)	\$ -	\$ (1,224,642)
Public safety	1,482,085	438,682	-	-	(1,043,403)	-	(1,043,403)
Public works	3,178,940	45,143	-	132,104	(3,001,693)	-	(3,001,693)
Health and welfare	438,922	-	-	-	(438,922)	-	(438,922)
Recreation and culture	783,704	1,438	-	-	(782,266)	-	(782,266)
Total Governmental Activities	<u>7,707,902</u>	<u>654,801</u>	<u>430,071</u>	<u>132,104</u>	<u>(6,490,926)</u>	<u>-</u>	<u>(6,490,926)</u>
Business-Type Activities:							
Sewer	165,868	25,658	-	-	-	(140,210)	(140,210)
Total Business-Type Activities	<u>165,868</u>	<u>25,658</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(140,210)</u>	<u>(140,210)</u>
Total Primary Government	<u>\$ 7,873,770</u>	<u>\$ 680,459</u>	<u>\$ 430,071</u>	<u>\$ 132,104</u>	<u>(6,490,926)</u>	<u>(140,210)</u>	<u>(6,631,136)</u>
General Revenues							
Taxes:							
Ad valorem taxes					3,598,485	-	3,598,485
Sales and use taxes					3,175,045	-	3,175,045
Severance taxes					1,223,494	-	1,223,494
Other					423,119	-	423,119
License and permits					199,693	-	199,693
Gaming revenues					2,150	-	2,150
Contributions and grants not restricted					81,839	-	81,839
Interest and investment income					366,117	-	366,117
Loss on disposal of assets					-	-	-
Miscellaneous					1,143,588	-	1,143,588
Transfers (to) from other funds					(50,000)	50,000	-
Total General Revenues and Transfers					<u>10,163,530</u>	<u>50,000</u>	<u>10,213,530</u>
Change in Net Position					3,672,604	(90,210)	3,582,394
Net Position, Beginning of Year					<u>62,570,638</u>	<u>419,040</u>	<u>62,989,678</u>
Net Position, End of Year					<u>\$ 66,243,242</u>	<u>\$ 328,830</u>	<u>\$ 66,572,072</u>

The accompanying notes are an integral part of this statement.

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA**

**GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2020**

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit 1 Road Fund	Public Facilities Maintenance Fund	Other non-major Governmental Funds	Total
ASSETS								
Cash	\$ 8,816,884	\$ 8,387,542	\$ 4,227,507	\$ 5,682,754	\$ 812,832	\$ 1,007,816	\$ 5,123,397	\$ 34,058,732
Investments	5,178,229	2,348,567	5,817,113	3,383,084	-	2,049,290	244,267	19,020,550
Receivables	1,046,673	221,595	165,713	1,700,249	9,936	747,117	626,077	4,517,360
Prepaid expenses	4,310	-	11,468	1,504	-	4,681	-	21,963
TOTAL ASSETS	\$ 15,046,096	\$ 10,957,704	\$ 10,221,801	\$ 10,767,591	\$ 822,768	\$ 3,808,904	\$ 5,993,741	\$ 57,618,605
LIABILITIES								
Accounts payable and accrued expenses	\$ 219,692	\$ 49	\$ 12,217	\$ 65,091	\$ 67,028	\$ 42,969	\$ 38,280	\$ 445,326
TOTAL LIABILITIES	219,692	49	12,217	65,091	67,028	42,969	38,280	445,326
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	38,152	-	-	83,753	-	34,174	37,277	193,356
FUND BALANCES:								
Nonspendable:								
Prepaid Expenses	4,310	-	11,468	1,504	-	4,681	-	21,963
Spendable:								
Restricted:								
Dedicated property taxes	-	-	-	10,617,243	-	-	4,132,975	14,750,218
Dedicated sales taxes	-	-	6,623,190	-	-	-	-	6,623,190
Court fees for juror and witness compensation	-	-	-	-	-	-	203,633	203,633
Federal and state grant programs	-	-	-	-	-	-	403,438	403,438
Committed:								
Ambulance services	-	-	3,574,926	-	-	-	-	3,574,926
Road maintenance and improvements	-	-	-	-	755,740	-	1,112,530	1,868,270
Public facilities maintenance	-	-	-	-	-	3,727,080	-	3,727,080
Buildings and infrastructure	-	10,957,655	-	-	-	-	-	10,957,655
Tourism	-	-	-	-	-	-	111,452	111,452
Unassigned	14,783,942	-	-	-	-	-	-	14,783,942
TOTAL FUND BALANCES	14,788,252	10,957,655	10,209,584	10,618,747	755,740	3,731,761	5,918,184	56,979,923
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 15,046,096	\$ 10,957,704	\$ 10,221,801	\$ 10,767,591	\$ 822,768	\$ 3,808,904	\$ 5,993,741	\$ 57,618,605

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

Total Fund Balances at December 31, 2020 - Governmental Funds \$ 56,979,923

Amounts reported for governmental activities in the statement of net position are different due to the following:

Cost of capital assets at December 31, 2020	\$ 32,491,177	
Less: Accumulated Depreciation as of December 31, 2020	<u>(22,109,398)</u>	10,381,779
Deferred outflows at December 31, 2020 (net pension liability)		416,598
Deferred inflows at December 31, 2020 (related to post-employment benefit)		311,611
Deferred inflows at December 31, 2020 (net pension liability)		(508,169)
Deferred inflows at December 31, 2020 (related to post-employment benefit)		(95,110)
Deferred inflows at December 31, 2020 (property tax not available for accrual in fund financial statements)		193,356
Long-term liabilities at December 31, 2020:		
Compensated absences payable	\$ (72,473)	
Net pension liability	(128,683)	
Total post-employment benefits payable	<u>(1,235,590)</u>	<u>(1,436,746)</u>
Total net position at December 31, 2020 - Governmental Activities		<u>\$ 66,243,242</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Ambulance Service Fund</u>	<u>Library Fund</u>	<u>Unit 1 Road Fund</u>	<u>Public Facilities Maintenance Fund</u>	<u>Other non-major Governmental Funds</u>	<u>Total</u>
<u>REVENUES</u>								
Local sources:								
Taxes								
Ad valorem taxes	\$ 820,374	\$ -	\$ -	\$ 1,633,093	\$ -	\$ 692,228	\$ 461,487	\$ 3,607,182
Sales and use taxes	-	2,103,355	1,051,570	-	-	-	20,120	3,175,045
Severance taxes	1,223,494	-	-	-	-	-	-	1,223,494
Royalties	423,119	-	-	-	-	-	-	423,119
License and permits	94,020	-	-	-	104,593	1,080	-	199,693
Gaming revenues	-	-	-	-	-	-	2,150	2,150
Fees, charges, and commissions for services	-	-	438,682	1,438	8,143	37,000	169,538	654,801
State sources:								
Parish transportation fund	-	-	-	-	132,104	-	-	132,104
State revenue sharing	14,834	-	-	17,089	-	10,432	6,964	49,319
Other	46,083	-	-	-	-	176	34,539	80,798
Federal grants	136,877	-	18,104	6,775	-	-	187,517	349,273
Interest and investment income	106,123	74,561	98,681	56,324	-	29,696	732	366,117
Miscellaneous	90,209	-	13,948	264	10,351	-	1,028,816	1,143,588
TOTAL REVENUES	2,955,133	2,177,916	1,620,985	1,714,983	255,191	770,612	1,911,863	11,406,683
<u>EXPENDITURES</u>								
Current:								
General government	968,494	20,740	-	-	-	-	566,724	1,555,958
Public safety	125,912	-	1,205,092	-	-	-	79,533	1,410,537
Public works	-	-	-	-	1,339,419	451,649	9,539	1,800,607
Health and welfare	167,931	-	-	-	-	-	248,286	416,217
Recreation and culture	-	-	-	457,657	-	-	28,691	486,348
Capital outlay	1,214	-	5,800	35,894	1,602,216	16,274	247,815	1,909,213
TOTAL EXPENDITURES	1,263,551	20,740	1,210,892	493,551	2,941,635	467,923	1,180,588	7,578,880
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,691,582	\$ 2,157,176	\$ 410,093	\$ 1,221,432	\$ (2,686,444)	\$ 302,689	\$ 731,275	\$ 3,827,803

(continued)

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Ambulance Service Fund</u>	<u>Library Fund</u>	<u>Unit 1 Road Fund</u>	<u>Public Facilities Maintenance Fund</u>	<u>Other non-major Governmental Funds</u>	<u>Total</u>
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfers in	\$ 309,450	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 50,000	\$ 350,000	\$ 1,709,450
Transfers out	(450,000)	(1,300,000)	-	(4,000)	-	-	(5,450)	(1,759,450)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(140,550)</u>	<u>(1,300,000)</u>	<u>-</u>	<u>(4,000)</u>	<u>1,000,000</u>	<u>50,000</u>	<u>344,550</u>	<u>(50,000)</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	1,551,032	857,176	410,093	1,217,432	(1,686,444)	352,689	1,075,825	3,777,803
Fund Balances, beginning of year	<u>\$ 13,237,220</u>	<u>\$ 10,100,479</u>	<u>\$ 9,799,491</u>	<u>\$ 9,401,315</u>	<u>\$ 2,442,184</u>	<u>\$ 3,379,072</u>	<u>\$ 4,842,359</u>	<u>53,202,120</u>
Fund Balances, end of year	<u>\$ 14,788,252</u>	<u>\$ 10,957,655</u>	<u>\$ 10,209,584</u>	<u>\$ 10,618,747</u>	<u>\$ 755,740</u>	<u>\$ 3,731,761</u>	<u>\$ 5,918,184</u>	<u>\$ 56,979,923</u>

(concluded)

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Excess of Revenues and Other Financing Uses over Expenses and Other Financing Sources - Total Governmental Funds		\$ 3,777,803
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 1,909,214	
Depreciation expense for year ended December 31, 2020	<u>(2,002,013)</u>	(92,799)
Change in deferred outflows (net pension liability)		(534,230)
Change in deferred inflows (property tax not available)		(8,697)
Change in deferred inflows (net pension liability)		(412,070)
Change in deferred inflows (OPEB)		8,646
Change in deferred outflows (OPEB)		212,713
Change in total post-employment benefit obligation		(263,404)
Change in net pension liability		971,562
Change in compensated absences payable		<u>13,080</u>
Change in Net Position - Governmental Activities		<u>\$ 3,672,604</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION -
SPRINGFIELD SEWER

DECEMBER 31, 2020

ASSETS

Current Assets:

Cash and cash equivalents	\$ 75,795
Accounts receivable	<u>1,827</u>
TOTAL CURRENT ASSETS	<u>77,622</u>

Noncurrent Assets:

Capital assets, net	<u>252,475</u>
TOTAL ASSETS	<u>330,097</u>

DEFERRED OUTFLOWS OF RESOURCES

-

LIABILITIES

Accounts payable and accruals	<u>1,267</u>
TOTAL CURRENT LIABILITIES	<u>1,267</u>

DEFERRED INFLOWS OF RESOURCES

-

NET POSITION

Net investment in capital assets	252,475
Unrestricted	<u>76,355</u>
TOTAL NET POSITION	<u>\$ 328,830</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
SPRINGFIELD SEWER

FOR THE YEAR ENDED DECEMBER 31, 2020

OPERATING REVENUES

Charges for services	S 25,658
Total operating revenues	<u>25,658</u>

OPERATING EXPENSES

Depreciation	74,101
Insurance	758
Legal and professional	5,455
Office expense	1,254
Repairs and maintenance	75,600
Utilities	8,700
Total operating expenses	<u>165,868</u>
Operating loss	<u>(140,210)</u>
Total non-operating revenues	<u>-</u>

LOSS BEFORE CONTRIBUTIONS AND TRANSFERS (140,210)

TRANSFERS IN 50,000

CHANGE IN NET POSITION (90,210)

NET POSITION, BEGINNING OF YEAR 419,040

NET POSITION, END OF YEAR S 328,830

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF CASH FLOWS
SPRINGFIELD SEWER

FOR THE YEAR ENDED DECEMBER 31, 2020

Cash flows from operating activities:	
Receipts from customers	\$ 25,312
Cash payments to suppliers for goods and services	<u>(94,090)</u>
Net cash used in operating activities	<u>(68,778)</u>
Other revenue	-
Transfers	<u>50,000</u>
Net cash provided by noncapital financing activities	<u>50,000</u>
Net decrease in cash and cash equivalents	(18,778)
Cash and cash equivalents, beginning of year	<u>94,573</u>
Cash and cash equivalents, end of year	<u><u>\$ 75,795</u></u>
Reconciliation of operating income to net cash used in operating activities:	
Operating loss	\$ (140,210)
Adjustments to reconcile operating loss to net cash from operating activities	
Depreciation expense	74,101
Increase in accounts receivable	(346)
Increase in accounts payable and accruals	<u>\$ (2,323)</u>
Net cash used in operating activities	<u><u>\$ (68,778)</u></u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

The Red River Parish Police Jury (Police Jury) is the governing authority for Red River Parish and is a political subdivision of the State of Louisiana. The Police Jury, under the provisions of Louisiana Revised Statutes 33:1236-1244, enacts ordinances, sets policy, and establishes programs for public safety, public works, health and welfare, recreation and culture, economic development, and general administrative services. The Police Jury is governed by seven jurors representing the various districts of Red River Parish. The jurors serve four-year terms.

Financial Reporting Entity

The financial reporting entity generally consists of the primary government, organizations for which the primary government is financially accountable and a financial benefit/burden relationship exists, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entities financial statements to be misleading or incomplete. Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining which component units should be included within the reporting entity. Under these provisions the basic criteria are as follows:

1. Legal status of the potential component unit
2. Financial accountability
 - a. The primary government appoints a voting majority of the potential component unit's governing body (and) the primary government is able to impose its will on the potential component (or)
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the Police Jury and the potential component unit.
4. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units 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.

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity: a) Red River Parish Fire Protection District, b) Red River Parish Tax Assessor, c) Red River Parish Clerk of Court, d) the 39th Judicial District – District Attorney, and e) Red River Parish Communications District.

The Police Jury has chosen to issue financial statements of the primary government only, which exclude the above listed component units.

These financial statements include all funds and organizations considered to be part of the primary government.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

The Police Jury's basic financial statements consist of government-wide statements on all of the non-fiduciary activities of the primary government and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. Both the entity-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the enterprise funds to other various functions of government for charges of fees and contributions between the primary government which are reported as external transactions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

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

Ad valorem taxes, severance taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of the special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishment, long-term proceeds, etc.) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

Fund Financial Statements

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Police Jury reports the following governmental and proprietary funds:

Governmental Funds

Governmental funds account for all or most of the Police Jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

General Fund - is the general operating fund of the Police Jury and is considered to be a major fund. It is used to account for all financial resources except those required to be accounted for in any other fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Police Jury are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements (continued)

Governmental Funds (continued)

Special Revenue Funds - are used to account for the proceeds of specific revenue sources other than special assessments, or major capital projects that are legally restricted to expenditures for specific purposes. The Police Jury's major special revenue funds reported in the fund financial statements are as follows:

The Sales Tax Fund which is the fund used to collect sales tax revenue and pay the collection expense regarding sales tax.

The Red River Parish Ambulance Service Fund which is used to fund the operations and maintenance of the parish ambulance district.

The Library Fund accounts to fund the operations and maintenance of the Red River Parish Library.

The Unit 1 Road Fund which is used to pay for the operations and the maintenance of the parish roads.

The Public Facilities Maintenance Fund which is used to pay for the operation and maintenance of the parish airport.

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The Springville Sewer Fund is reported as a major proprietary fund and accounts for the provision of sewer services and sewer treatment services to the residents of the Springville Community. All activities necessary to provide such services are accounted for in this fund.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Police Jury prepares and adopts a budget each year for its general and special revenue funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the budgetary basis of accounting. The budgetary basis of accounting is the modified accrual basis used for the fund financials with the exception of Ad valorem tax revenue. The budgetary basis estimates Ad valorem taxes based on total amounts collectible as opposed to using the "available and measurable" criteria. The Police Jury amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

Cash and Cash Equivalents

Cash and cash equivalents for the primary government include the cash for each individual fund's share of the consolidated operating cash account.

A single consolidated operating bank account has been established in a local bank into which monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited into the consolidated bank account. The purpose of this consolidation is to reduce administrative costs and provide a single cash balance available for the maximization of investment earnings. Each fund shares in the investment earnings according to its average cash and investments balance, prorated between funds. Cash is transferred from those funds with available cash resources to cover any negative cash balances in other funds at year-end.

Investments

Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Accounts Receivable and Bad Debt

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Uncollectible amounts due for receivables are recognized as bad debts directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. In governmental fund types, the uncollectible amount is charged directly to the revenue reported. On the other hand, in proprietary fund types, uncollectible amounts due from utility billings are recognized as bad debts through the use of an allowance account or are directly charged off at the time information becomes available which indicates that the particular receivable is not collectible.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Capital Assets

Capital assets are carried at historical cost. Depreciation of all exhaustible capital assets used by the Police Jury is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

Compensated Absences

Full-time employees of the Police Jury earn annual leave at various rates depending on the number of years in service. The maximum amount of annual leave that may be carried forward by each employee is 200 hours, except for library personnel who can carry forward 24 hours. Upon termination, an employee is compensated for up to 200 hours, 24 hours for library personnel, of unused prior annual leave plus any unused current annual leave at the employee's hourly rate of pay at the time of termination.

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.

In the government-wide statement of net position and in the proprietary fund types' financial statements, long-term debt is reported as a liability. The long-term debt consists primarily of accrued compensated absences, other post-employment benefits payable, and pension liabilities payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. Instead the debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary fund debt is the same in the fund statements as it is in the government-wide statements.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Net Position

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

1. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets plus any unspent proceeds from such borrowings.
2. Restricted net position - net position with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation.
3. Unrestricted - all other net position is reported in this category.

When both restricted and unrestricted resources are available for use, it is the Police Jury's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Equity

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components:

1. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted - amounts constrained to specific purposes by either a) creditors, grantors, contributors, or the laws or regulations of other governments, or b) constitutional provisions or enabling legislation.
3. Committed - amounts constrained to specific purposes by the governmental entity at its highest level of decision-making authority. These amounts cannot be used for any other purposes unless the government takes the same highest level action to remove or change the constraint.
4. Assigned - amounts that do not meet the criteria to be classified as restricted or committed that are intended to be used for specific purposes as established by the Police Jury or its management to which the Police Jury has delegated the authority to assign amounts for specific purposes.
5. Unassigned - all other spendable amounts.

The Police Jury establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution.

The Police Jury typically uses restricted fund balances first, followed by committed, assigned and unassigned funds when an expenditure is incurred for purposes for which amounts in any of these fund balance classifications could be used.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sales Taxes

The Police Jury collects a one percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to the construction, operation, and maintenance of a parish jail facility, with any surplus proceeds to be used for capital outlay, operation, and maintenance costs associated with the parish highway system, and other parish owned building and properties.

The Police Jury collects a one-half of one percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to the construction, operation, and maintenance of a parish ambulance service.

Property Taxes

Property taxes are considered measurable each year following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission. Accordingly, the entire tax roll less an estimate for uncollectable taxes is recorded as taxes receivable in the current budgeted year. Uncollectable taxes are those taxes which based on past experience will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll.

At the governmental fund level, property taxes that are measurable and available (receivable within the current period and collected within the current period or within 60 days thereafter to be used to pay liabilities of the current period) are recognized as revenue in the year of levy. Property taxes that are measurable, but not available, are recorded, net of estimated uncollectable amounts, as deferred inflows of resources in the year of levy. Such unavailable revenues are recognized as revenue in the fiscal year in which they become available.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pension Plans

The Red River Parish Police Jury is a participating employer in three defined benefit pension plans (plans) as described in Note 9. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
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December 31, 2020

2. LEVIED TAXES

The Police Jury levies taxes on real and business personal property located within its boundaries. The Red River Parish Tax Assessor assesses the property values and prepares the Police Jury's property tax roll. The Red River Parish Sheriff bills and collects property taxes for the Police Jury. Ad valorem taxes are levied on October 31st and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31st of each year. The following is a summary of authorized and levied ad valorem taxes as of December 31, 2020:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General alimony:			
Inside municipalities	4.04	3.78	Constitutional
Outside municipalities	2.02	1.89	Constitutional
Public Facilities Maintenance	3.12	3.12	2028
Health Unit	2.08	2.08	2028
Library	7.48	7.36	2022

The Police Jury is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, the local government has the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program ("EZ Program"). For the year ending December 31, 2020, the government participated in the Industrial Tax Exemption Program.

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Order Number JBE 2016-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the Police Jury's deposits may not be returned to it.

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

At December 31, 2020, the carrying amount of demand deposit accounts was \$488,576. The bank balance of \$513,281 is secured by Federal depository insurance. Money market funds of \$33,645,951 are held with an investment management company. The money market funds are covered by Security Investor Protection Corporation (SIPC) insurance of \$250,000 and the remaining balance is collateralized in government money market funds with an S&P rating of AAAM. Certificates of deposits are included in the investment caption in the balance sheet with a balance totaling \$10,678,393. These balances are secured by Federal deposit insurance or collateralized by pledged securities owned by the financial institution in the name of the bank or held in custody at a mutually acceptable bank but in the name of the pledging fiscal agent bank.

Investments

Investments with a maturity of less than 90 days are classified on the statement of net position as "cash and cash equivalents". In accordance with Section I50 paragraphs 110 and 111 of *GASB Codification of Governmental Accounting and Financial Reporting Standards*, investments in U.S. Treasury or Agency obligations that have a remaining maturity at time of purchase of one year or less are stated at amortized cost which is not materially different from fair value. All other investments are shown at fair value.

The Police Jury's investments are in government agency securities that are implicitly guaranteed by the U.S. Government and totaled \$8,342,157. At December 31, 2020, the majority of investments were rated AAAM by Standard and Poor's. The remaining investments are in government securities that are explicitly guaranteed by the U.S. Government.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. The Police Jury's investment policy does not limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. However, one indicator of the measure of interest rate risk is the dispersion of maturity date or debt instruments.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Investments (continued)

As of December 31, 2020, the Police Jury had the following investment types and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>< 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>> 10 Years</u>
Fixed Income-Government					
Securities:					
Fed Farm Credit Bank	\$ 1,492,904	\$ -	\$ -	\$ 883,445	\$ 609,459
FNMA	919,351	-	-	98,938	820,413
FHLMC	514,204	-	-	-	514,204
FHLB	1,389,643	-	-	746,930	642,713
GNMA	1,424,693	-	-	-	1,424,693
	<u>5,740,795</u>	<u>-</u>	<u>-</u>	<u>1,729,313</u>	<u>4,011,482</u>
Certificates of deposit	<u>10,678,393</u>				
Total	<u>16,419,188</u>				
Mutual Funds - Government					
Securities	<u>2,601,362</u>				
Total - all investments	<u>\$ 19,020,550</u>				

There is no limit on the amount that may be invested in any one issuer according to the Police Jury's policy. At December 31, 2020, investments of the following issuers represented more than 5% of total investments:

Fed Farm Credit Bank	8%
Government National Mortgage Association	7%
Federal Home Loan Bank	7%
Government Securities	14%

The Police Jury categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

The Police Jury has the following recurring fair value measurements as of December 31, 2020:

- Federal agency obligation securities are valued using a matrix pricing technique based on the securities' relationship to benchmark quoted prices (Level 2 inputs).
- Certificates of deposit are time deposits with a bank. They bear a specific maturity in excess of 90 days. Certificates of deposit are reported at cost.
- Mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

	Level 1	Level 2	Level 3	Total
Federal agency obligation reported at fair value	\$ -	\$ 5,740,795	\$ -	\$ 5,740,795
Certificates of deposits reported at cost				<u>10,678,393</u>
Mutual funds				<u>2,601,362</u>
Total investments				<u>\$19,020,550</u>

4. ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at December 31, 2020:

	Governmental Activities	Business-Type Activities	Total
Taxes			
Ad valorem	\$ 3,750,822	\$ -	\$ 3,750,822
Sales	208,331	-	208,331
Severance	60,947	-	60,947
Fees, charges, and commission for services	40,789	1,827	42,616
Other	<u>456,471</u>	<u>-</u>	<u>456,471</u>
Total	<u>\$ 4,517,360</u>	<u>\$ 1,827</u>	<u>\$ 4,519,187</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

5. CAPITAL ASSETS

A summary of the Police Jury's governmental activities' capital assets at December 31 follows:

	Balance at December 31, 2019	Additions	Deletions	Transfers	Balance at December 31, 2020
Capital assets, not being depreciated					
Land	\$ 497,849	\$ -	\$ -	\$ -	\$ 497,849
Construction in progress	-	-	-	-	-
Total capital assets, not being depreciated	497,849	-	-	-	497,849
Capital Assets, being depreciated					
Buildings and Building Improvements	11,023,701	40,244	-	-	11,063,945
Less accumulated depreciation	(7,341,767)	(352,588)	-	-	(7,694,355)
Total Buildings and Building Improvements	3,681,934	(312,344)	-	-	3,369,590
Streets, Parking Lots, and Other Improvements	14,109,465	1,774,117	-	-	15,883,582
Less accumulated depreciation	(8,948,134)	(1,324,637)	-	-	(10,272,771)
Total Streets, Parking Lots, and Other Improvements	5,161,331	449,480	-	-	5,610,810
Furniture, Equipment, and Vehicles	4,662,765	73,971	-	-	4,736,736
Less accumulated depreciation	(3,642,921)	(303,454)	-	-	(3,946,375)
Total Furniture, Equipment, and Vehicles	1,019,844	229,483	-	-	790,361
Library Books and Information Materials	288,183	20,882	-	-	309,065
Less accumulated depreciation	(174,563)	(21,334)	-	-	(195,897)
Total Library Books and Information Materials	113,620	(452)	-	-	113,168
Total Capital Assets, being depreciated	9,976,729	(92,799)	-	-	9,883,930
Governmental Activities					
Total Capital Assets, net	\$ 10,474,578	(\$ 92,799)	\$ -	\$ -	\$ 10,381,779

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

5. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of the governmental-type activities as follows:

General government	\$	201,839
Public safety		68,694
Public works		1,412,328
Health and welfare		22,705
Recreation and culture		296,447
Total depreciation expense	\$	<u>2,002,013</u>

A summary of the Police Jury's business-type activities capital assets at December 31, follows:

	<u>Balance at</u> <u>December 31,</u> <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance at</u> <u>December 31,</u> <u>2020</u>
Capital assets, not being depreciated					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets, not being depreciated	-	-	-	-	-
Capital Assets, being depreciated					
Sewer system	1,637,697	-	-	-	1,637,697
Less accumulated depreciation	(1,311,121)	(74,101)	-	-	(1,385,222)
Total Sewer system	326,576	(74,101)	-	-	252,475
Total capital assets, being depreciated	<u>326,576</u>	<u>(74,101)</u>	<u>-</u>	<u>-</u>	<u>252,475</u>
Business-type activities					
Total capital assets, net	\$ <u>326,576</u>	(\$ <u>74,101</u>)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>252,475</u>
Primary government					
Total capital assets, net	\$ <u>10,801,154</u>	(\$ <u>166,900</u>)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>10,634,254</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The following is a summary of accounts payable at December 31, 2020:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Vendor	\$ 295,259	\$ 1,267	\$ 296,526
Salaries and related benefits	150,067	-	150,067
Total	\$ <u>445,326</u>	\$ <u>1,267</u>	\$ <u>446,593</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

7. COMPENSATED ABSENCES

The following is a summary of compensated absences of the Police Jury for the year ended December 31:

	Balance at December 31, 2019	Additions	Deletions	Balance at December 31, 2020	Current Amount
Compensated absences	\$ 85,553	\$ 66,249	(\$ 79,329)	\$ 72,473	\$ 72,473

8. INTERFUND TRANSFERS

Interfund transfers are to fund the operating deficiencies in each fund due to timing of receipt of revenue funds. In addition, the Sales tax fund and other transfers from the Road Emergency fund (a non-major fund) to Unit 1 Road fund are to assist in ongoing construction projects. Operating transfers for the year ended December 31, 2019, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities		
General	\$ 309,450	\$ 450,000
Sales tax	-	1,300,000
Library fund	-	4,000
Unit 1 Road fund	1,000,000	-
Public Facilities Maintenance Fund	50,000	-
Other non-major governmental funds	350,000	5,450
Business-type activities		
Sewer fund	50,000	-
Total	<u>\$ 1,759,450</u>	<u>\$ 1,759,450</u>

9. DEFINED BENEFIT PENSION PLANS

The Red River Parish Police Jury (the Police Jury) is a participating employer in three cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Parochial Employees' Retirement System of Louisiana (PERS), the District Attorneys' Retirement System (DARS) and the Registrar of Voters Employees' Retirement System (ROVERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. **DEFINED BENEFIT PENSION PLANS** (continued)

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

PERS:	DARS:	ROVERS:
7905 Wrenwood Blvd.	1645 Nicholson Drive.	PO Box 57.
Baton Rouge, Louisiana	Baton Rouge, LA 70802-	Jennings, LA
70809	8143	70546
(225) 928-1361	(225) 267-4824	(800) 510-8515
www.persla.org	www.ladars.org	www.larovers.com

The Police Jury follows Government Accounting Standards Board (GASB) Statement 68 on *Accounting and Financial Reporting for Pensions* and Statement 71 on *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68*. These standards require the Police Jury to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Plan Descriptions:

Parochial Employees' Retirement System of Louisiana (PERS)

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the system.

District Attorneys' Retirement System (DARS)

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

Registrar of Voters Employees' Retirement System (ROVERS)

The System was established on January 1, 1955, for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. **DEFINED BENEFIT PENSION PLANS** (continued)

Funding Policy

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 (PRSAC).

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended December 31, 2020, for the Police Jury and covered employees were as follows:

	Police Jury	Employees
Parochial Employees' Retirement System of Louisiana: Plan A	12.250%	9.50%
District Attorneys' Retirement System	4.00%	8.00%
Registrar of Voters Employees' Retirement System	18.00%	7.00%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	December 31,		
	2020	2019	2018
Parochial Employees' Retirement System of Louisiana: Plan A	\$ 198,150	\$ 152,085	\$ 165,997
District Attorneys' Retirement System	2,600	1,639	406
Registrar of Voters Employees' Retirement System	4,214	3,831	2,735

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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9. **DEFINED BENEFIT PENSION PLANS** (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The following schedule lists the Police Jury's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the measurement dates for each respective retirement system. The Police Jury uses this measurement to record its Net Pension Liability and associated amounts as of the respective measurement dates in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at the current measurement date for each respective retirement system along with the change compared to the rate used in the previous measurement period for each respective retirement system. The Police Jury's proportion of the Net Pension Liability was based on each Agency's share of contributions to the pension plan relative to the contributions of all participating employers.

	Net Pension Liability (Asset) at Measurement Date	Rate at Current Measurement Date	Increase (Decrease) in Rate from Previous Measurement Date
Governmental Activities: Parochial Employees' Retirement System of Louisiana:			
Plan A *	\$ 9,818	0.208567%	(0.026232%)
District Attorneys' Retirement System **	83,014	0.104779%	(0.005838%)
Registrar of Voters Employees' Retirement System **	35,851	0.166416%	0.045898%
	<u>\$ 128,683</u>		

* The Plan presented has a measurement date of December 31, 2019.

** The Plans presented have a measurement date of June 30, 2020.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. DEFINED BENEFIT PENSION PLANS (continued)

The following schedule list each pension plan's recognized pension expense plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the Police Jury for the year ended December 31, 2020:

	<u>Pension Expense</u>
Parochial Employees' Retirement System of Louisiana:	
Plan A	\$ 179,616
District Attorneys' Retirement System	25,229
Registrar of Voters Employees' Retirement System	7,151
	\$ 211,996

At December 31, 2020, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 141,077	\$ (13,712)
Changes of assumptions	43,878	(87,894)
Net difference between projected and actual earnings on pension plan investments	14,417	(368,032)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	15,591	(38,531)
Employer contributions subsequent to the measurement date	201,635	-
Total	\$ 416,598	\$ (508,169)

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees' Retirement System of Louisiana:		
Plan A	\$ 337,948	\$ (486,900)
District Attorneys' Retirement System	60,266	(9,529)
Registrar of Voters Employees' Retirement System	18,384	(11,740)
	\$ 416,598	\$ (508,169)

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. DEFINED BENEFIT PENSION PLANS (continued)

The Police Jury reported a total of \$201,635 as deferred outflow of resources related to pension contributions made subsequent to the measurement which will be recognized as a reduction in Net Pension Liability in the year ended December 31, 2021. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Parochial Employees' Retirement System of Louisiana: Plan A	\$ 198,150
District Attorneys' Retirement System	1,300
Registrar of Voters Employees' Retirement System	2,185
	\$ 201,635

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferral Period	PERS A	DARS	ROVERS	Total
2020	\$ (80,848)	\$ -	\$ -	\$ (80,848)
2021	(100,328)	10,954	(230)	(89,604)
2022	(232)	11,477	865	12,110
2023	(165,704)	13,709	318	(151,677)
2024	-	7,620	3506	11,126
2025	-	5,677	-	5,677
	\$ (347,112)	\$ 49,437	\$ 4,459	\$ (293,216)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the valuation date for each respective retirement system are as follows on the next page:

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. DEFINED BENEFIT PENSION PLANS (continued)

	PERS	DARS	ROVERS
Valuation Date	December 31, 2019	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	4 years	6 years	5 years
Investment Rate of Return	6.50% net of investment expenses, including inflation	6.25% net of investment expenses, including inflation	6.40%, net of investment expense
Inflation Rate	2.40% per annum	2.30%	2.30%
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130 for males and 12% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table for disabled annuitants
Salary Increases	<i>Plan A 4.75%, Plan B 4.25%</i>	<i>5.0% (2.3% inflation, 2.7% merit)</i>	<i>5.25%</i>
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	Only those previously granted	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. **DEFINED BENEFIT PENSION PLANS** (continued)

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019.	The long-term expected rate of return on pension plan investments 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 expense 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. The resulting long-term rate of return is 8.50% for the year ended June 30, 2020.	The long-term expected rate of return on pension plan investments 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 expense, 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. The resulting long-term rate of return is 8.75% for the year ended June 30, 2020.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. DEFINED BENEFIT PENSION PLANS (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of each respective measurement date:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	PERS	DARS	ROVERS	PERS	DARS	ROVERS
Equities	52.0%	48.27%	57.5%	3.41%	5.54%	4.51%
Fixed income	35.0%	24.54%	22.5%	1.05%	1.09%	0.66%
Alternatives	11.0%	26.77%	10.0%	0.61%	1.87%	0.63%
Real assets	2.0%	0.00%	10.0%	0.11%	0.00%	0.45%
Cash	0.0%	0.42%	0.0%	0.00%	0.00%	0.00%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	5.18%	6.11%	6.25%
Inflation				2.00%	2.39%	2.50%
Expected Arithmetic Nominal Return				<u>7.18%</u>	<u>8.50%</u>	<u>8.75%</u>

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for PERS was 6.50%, DARS was 6.25% and ROVERS was 6.40% for each respective measurement date.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

9. DEFINED BENEFIT PENSION PLANS (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Police Jury's proportionate share of the Net Pension Liability (NPL) or Net Pension Asset (NPA) using the discount rate of each Retirement System as well as what the Police Jury's proportionate share of the NPL or NPA would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
PERS A			
Rates	5.50%	6.50%	7.50%
Police Jury's Share of			
NPL	\$ 1,051,326	\$ 9,818	\$ (880,990)
DARS			
Rates	5.25%	6.25%	7.25%
Police Jury's Share of			
NPL	\$ 151,640	\$ 83,014	\$ 25,507
ROVERS			
Rates	5.40%	6.40%	7.40%
Police Jury's Share of			
NPL	\$ 58,875	\$ 35,851	\$ 16,229

Payables to the Pension Plan

The Police Jury recorded accrued liabilities to each of the Retirement Systems for the year ended December 31, 2020, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts payable and accrued liabilities. The balance due to each for the retirement systems at December 31 is as follows:

	<u>2020</u>
Governmental Activities:	
Parochial Employees'	
Retirement System of	
Louisiana:	
Plan A	\$ 93,027
District Attorneys' Retirement	
System	650
Registrar of Voters Employees'	
Retirement System	<u>1,518</u>
	<u>\$ 95,195</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan description – The Red River Parish Police Jury (the Police Jury) provides certain continuing health care and life insurance benefits for its retired employees. The Red River Parish Police Jury’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Police Jury. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Police Jury. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Medical, dental and vision benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by Plan A of the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. Retirees are subject to a minimum of 20 years of service for coverage.

Life insurance coverage is not considered for this valuation.

Employees covered by benefit terms – At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	38
	<hr/>
	46
	<hr/>

Total OPEB Liability

The Police Jury’s total OPEB liability of \$1,235,590 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0%, including inflation
Discount rate	2.74% annually (Beginning of Year to Determine ADC)
	2.12%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2019, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009, to December 31, 2020.

Changes in the Total OPEB Liability

Balance at December 31, 2019	\$ 972,186
Changes for the year:	
Service cost	27,132
Interest	27,010
Differences between expected and actual experience	215,040
Changes in assumption	30,465
Benefit payments	(36,243)
Net changes	<u>263,404</u>
Balance at December 31, 2020	<u><u>\$ 1,235,590</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current discount rate:

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

	<u>1.0% Decrease</u> <u>(1.12%)</u>	<u>Current Discount</u> <u>Rate (2.12%)</u>	<u>1.0% Increase</u> <u>(3.12%)</u>
Total OPEB liability	\$ 1,394,534	\$ 1,235,590	\$ 1,104,366

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<u>1.0% Decrease</u> <u>(4.5%)</u>	<u>Current Discount</u> <u>Rate</u> <u>(5.5%)</u>	<u>1.0% Increase</u> <u>(6.5%)</u>
Total OPEB liability	\$ 1,108,936	\$ 1,235,590	\$ 1,391,930

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Police Jury recognized OPEB expense of \$94,656. At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 193,536	\$ (56,874)
Changes in assumptions	118,075	(38,236)
Total	<u>\$ 311,611</u>	<u>\$ (95,110)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:	
2021	\$ 24,146
2022	24,146
2023	24,146
2024	24,146
2025	24,146
Thereafter	<u>95,771</u>
	<u>\$ 216,501</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

11. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus in the Criminal Court Fund at year end be transferred to the Police Jury's General Fund. The amounts due to the General Fund is \$0 due to no surplus in the fund at December 31, 2020.

12. RISK MANAGEMENT

The Red River Parish Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Police Jury.

13. CLAIMS AND JUDGMENTS

The Red River Parish Police Jury participates in federal and state programs that are fully or partially funded by grants received from other Governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Police Jury may be required to reimburse the grantor government. The Police Jury believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial condition of the Police Jury.

14. EXPENDITURES EXCEEDING APPROPRIATIONS

Excess of expenditures over appropriations in individual funds or departments within the fund occurred as follows:

	Revised Budget		Actual (GAAP Basis)		Variance
Special Revenue Funds:					
Unit 1 Road Fund	\$ 2,754,336		\$ 2,941,635		\$ (187,299)
Tourism Fund	28,376		28,691		(315)
Criminal Court Fund	523,848		557,538		(33,690)
Proprietary Fund:					
Springfield Sewer Fund	117,715		165,868		(48,153)

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

15. CURRENT ACCOUNTING STANDARDS SCHEDULED TO BE IMPLEMENTED

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Police Jury's financial report:

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after December 15, 2021. The Police Jury will include the requirements of this standard, as applicable, in its December 31, 2022 financial statement. All of the Police Jury's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Police Jury is unknown at this time.

The GASB issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* in June 2018. This Statement establishes accounting requirements for interest cost before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The Police Jury will include the requirements of this standard, as applicable, in its December 31, 2021 financial statement. The effect of this standard or its applicability to the Police Jury is unknown at this time.

16. CONTINGENCIES

In March, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread throughout the United States. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on the Police Jury's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on the Parish and other governmental entities, vendors, and employees, all of which are uncertain and cannot be predicted. The extent to which the COVID-19 pandemic may directly or indirectly impact the Police Jury's financial condition or results of operations cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA**

**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
REVENUES				
Local sources:				
Taxes				
Ad valorem taxes	\$ 790,000	\$ 775,000	\$ 819,992	\$ 44,992
Severance taxes	985,000	1,229,230	1,223,494	(5,736)
Other	150,500	447,687	423,119	(24,568)
License and permits	85,100	86,521	94,020	7,499
State sources:				
State revenue sharing	14,900	14,900	14,834	(66)
Other	40,100	40,581	46,083	5,502
Federal grants	100,000	100,000	136,877	36,877
Interest and investment income	100,000	100,000	106,123	6,123
Miscellaneous	4,150	82,900	90,209	7,309
TOTAL REVENUES	<u>2,269,750</u>	<u>2,876,819</u>	<u>2,954,751</u>	<u>77,932</u>
EXPENDITURES				
General government	991,049	979,970	968,494	11,476
Public safety	169,850	113,350	125,912	(12,562)
Health and welfare	336,040	238,320	167,931	70,389
Capital outlay	-	-	1,214	(1,214)
TOTAL EXPENDITURES	<u>1,496,939</u>	<u>1,331,640</u>	<u>1,263,551</u>	<u>68,089</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>772,811</u>	<u>1,545,179</u>	<u>1,691,200</u>	<u>146,021</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	354,000	304,000	309,450	5,450
Transfers out	(400,000)	(450,000)	(450,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(46,000)</u>	<u>(146,000)</u>	<u>(140,550)</u>	<u>5,450</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>726,811</u>	<u>1,399,179</u>	<u>1,550,650</u>	<u>151,471</u>
Budgetary Fund Balances, beginning of year	<u>12,942,888</u>	<u>13,275,754</u>	<u>13,275,754</u>	<u>-</u>
Budgetary Fund Balances, end of year	<u>\$ 13,669,699</u>	<u>\$ 14,674,933</u>	<u>\$ 14,826,404</u>	<u>\$ 151,471</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
Taxes				
Sales and use taxes	\$ 2,200,000	\$ 2,000,000	\$ 2,103,355	\$ 103,355
Interest and investment income	-	-	74,561	74,561
TOTAL REVENUES	2,200,000	2,000,000	2,177,916	177,916
<u>EXPENDITURES</u>				
General government	22,650	21,067	20,740	327
TOTAL EXPENDITURES	22,650	21,067	20,740	327
EXCESS OF REVENUES OVER EXPENDITURES	2,177,350	1,978,933	2,157,176	178,243
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(1,850,000)	(1,300,000)	(1,300,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,850,000)	(1,300,000)	(1,300,000)	-
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	327,350	678,933	857,176	178,243
Budgetary Fund Balances, beginning of year	9,502,920	10,100,479	10,100,479	-
Budgetary Fund Balances, end of year	\$ 9,830,270	\$ 10,779,412	\$ 10,957,655	\$ 178,243

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

AMBULANCE SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
Taxes				
Sales and use taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,051,570	\$ (48,430)
Fees, charges, and commissions for services	420,000	410,000	438,682	28,682
Federal grants	-	-	18,104	18,104
Interest and investment income	-	-	98,681	98,681
Miscellaneous	9,000	30,000	13,948	(16,052)
TOTAL REVENUES	1,529,000	1,540,000	1,620,985	80,985
<u>EXPENDITURES</u>				
Public safety	1,494,090	1,337,028	1,205,092	131,936
Capital outlay	-	-	5,800	(5,800)
TOTAL EXPENDITURES	1,494,090	1,337,028	1,210,892	126,136
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	34,910	202,972	410,093	207,121
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	34,910	202,972	410,093	207,121
Budgetary Fund Balances, beginning of year	9,214,491	9,799,491	9,799,491	-
Budgetary Fund Balances, end of year	\$ 9,249,401	\$ 10,002,463	\$ 10,209,584	\$ 207,121

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis) (See Note A)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 1,600,000	\$ 1,500,000	\$ 1,637,508	\$ 137,508
Fees, charges, and commissions for services	2,500	2,050	1,438	(612)
State sources:				
State revenue sharing	17,722	19,497	17,089	(2,408)
Other	-	-	-	-
Federal grants	-	-	6,775	6,775
Interest and investment income	5,000	1,200	56,324	55,124
Miscellaneous	1,550	-	264	264
TOTAL REVENUES	<u>1,626,772</u>	<u>1,522,747</u>	<u>1,719,398</u>	<u>196,651</u>
<u>EXPENDITURES</u>				
Recreation and culture	609,100	522,180	457,657	64,523
Capital Outlay	-	114,000	35,894	78,106
TOTAL EXPENDITURES	<u>609,100</u>	<u>636,180</u>	<u>493,551</u>	<u>142,629</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,017,672</u>	<u>886,567</u>	<u>1,225,847</u>	<u>339,280</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	-	-	(4,000)	(4,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>1,017,672</u>	<u>886,567</u>	<u>1,221,847</u>	<u>335,280</u>
Budgetary Fund Balances, beginning of year	<u>9,296,077</u>	<u>9,480,653</u>	<u>9,480,653</u>	<u>-</u>
Budgetary Fund Balances, end of year	<u>\$ 10,313,749</u>	<u>\$ 10,367,220</u>	<u>\$ 10,702,500</u>	<u>\$ 335,280</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

UNIT 1 ROAD FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Local sources:				
License and permits	\$ 5,000	\$ 25,000	\$ 104,593	\$ 79,593
Fees, charges, and commissions for services	-	3,500	8,143	4,643
State sources:				
Parish transportation fund	130,000	130,000	132,104	2,104
Other	-	-	-	-
Miscellaneous	6,000	7,000	10,351	3,351
TOTAL REVENUES	<u>141,000</u>	<u>165,500</u>	<u>255,191</u>	<u>89,691</u>
<u>EXPENDITURES</u>				
Public works	1,389,850	1,254,336	1,339,419	(85,083)
Capital outlay	1,500,000	1,500,000	1,602,216	(102,216)
TOTAL EXPENDITURES	<u>2,889,850</u>	<u>2,754,336</u>	<u>2,941,635</u>	<u>(187,299)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,748,850)</u>	<u>(2,588,836)</u>	<u>(2,686,444)</u>	<u>(97,608)</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers in	<u>1,500,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,500,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>(1,248,850)</u>	<u>(1,588,836)</u>	<u>(1,686,444)</u>	<u>(97,608)</u>
Budgetary Fund Balances, beginning of year	<u>\$ 2,070,334</u>	<u>\$ 2,442,184</u>	<u>\$ 2,442,184</u>	<u>-</u>
Budgetary Fund Balances, end of year	<u>\$ 821,484</u>	<u>\$ 853,348</u>	<u>\$ 755,740</u>	<u>\$ (97,608)</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

PUBLIC FACILITIES MAINTENANCE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 670,000	\$ 653,000	\$ 683,673	\$ 30,673
License and permits	1,330	1,330	1,080	(250)
Fees, charges, and commissions for services	42,000	42,000	37,000	(5,000)
State sources:				
State revenue sharing	10,120	10,120	10,432	312
Other state funds	3,500	176	176	-
Federal grants	-	-	-	-
Interest and investment income	-	-	29,696	29,696
TOTAL REVENUES	726,950	706,626	762,057	55,431
<u>EXPENDITURES</u>				
Public works	655,000	526,975	451,649	75,326
Capital outlay	-	-	16,274	(16,274)
TOTAL EXPENDITURES	655,000	526,975	467,923	59,052
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	71,950	179,651	294,134	114,483
 <u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	50,000	50,000	50,000	-
TOTAL OTHER FINANCING SOURCES (USES)	50,000	50,000	50,000	-
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>				
	121,950	229,651	344,134	114,483
Fund Balances, beginning of year	\$ 3,286,348	\$ 3,421,801	\$ 3,421,801	-
Fund Balances, end of year	\$ 3,408,298	\$ 3,651,452	\$ 3,765,935	\$ 114,483

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE BUDGETARY COMPARISONS SCHEDULES
DECEMBER 31, 2020

Note A – Budget to Actual Reconciliation

Ad valorem taxes collected within 60 days of the reporting period are considered measurable and available and are therefore recognized as revenues in the fund financial statements. Taxes collected after that are considered deferred inflows and are not recognized in the reporting period. Budgets are prepared on a budgetary basis which recognizes taxes collected after 60 days.

A reconciliation of the budgetary basis revenues and fund balance to revenues reflected in accordance with generally accepted accounting principles (GAAP) is presented below.

	<u>General Fund</u>	<u>Library Fund</u>	<u>Public Facilities Maintenance Fund</u>
Ad valorem taxes (GAAP)	\$ 820,374	\$ 1,633,093	\$ 692,228
Prior year deferred inflows	(38,534)	(79,338)	(42,729)
Current year deferred inflows	<u>38,152</u>	<u>83,753</u>	<u>34,174</u>
Ad valorem taxes (budgetary basis)	\$ <u>819,992</u>	\$ <u>1,637,508</u>	\$ <u>683,673</u>
Beginning fund balance (GAAP)	\$ 13,237,220	\$ 9,401,315	\$ 3,379,072
Prior year deferred inflows	<u>38,534</u>	<u>79,338</u>	<u>42,729</u>
Beginning fund balance (budgetary basis)	\$ <u>13,275,754</u>	\$ <u>9,480,653</u>	\$ <u>3,421,801</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULES OF CHANGES IN
TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2020

SCHEDULE OF FUNDING PROGRESS

<u>Fiscal Year Ending</u>	<u>Measurement date</u>	<u>Service Cost</u>	<u>Interest</u>	<u>Difference between actual and expected experience</u>	<u>Changes of assumptions</u>	<u>Benefit payments</u>	<u>Net change in total OPEB liability</u>	<u>Total OPEB liability - beginning</u>	<u>Total OPEB liability - ending</u>	<u>Covered-employee payroll</u>	<u>Total OPEB liability as a percentage of covered-employee payroll</u>
12/31/20	12/31/20	\$ 27,132	\$ 27,010	\$ 215,040	\$ 30,465	\$ (36,243)	\$ 263,404	\$ 972,186	\$ 1,235,590	\$ 1,538,136	80.33%
12/31/19	12/31/19	\$ 31,536	\$ 36,367	\$ (29,008)	\$ 107,139	\$ (45,071)	\$ 100,963	\$ 871,223	\$ 972,186	\$ 1,584,280	61.36%
12/31/18	12/31/18	\$ 40,967	\$ 32,747	\$ (41,151)	\$ (48,659)	\$ (44,131)	\$ (60,227)	\$ 931,450	\$ 871,223	\$ 1,538,136	56.64%

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

Notes to the Required Supplementary Information. □

Benefit Changes.

There were no changes of benefit terms for the year ended December 31, 2020.

Changes of Assumptions.

The changes in assumptions balance was a result of changes in the discount rate. The following are the discount rates used for in each measurement of total OPEB liability

<u>Measurement Date</u>	<u>Discount Rate</u>
12/31/2020	2.12%
12/31/2019	2.74%
12/31/2018	4.10%
12/31/2017	3.44%

Red River Parish Police Jury
Schedule of the Proportionate Share of the Net Pension Liability
Cost Sharing Plans
For the Year Ended December 31, 2020 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Parochial Employees' Retirement System of Louisiana						
	2020	0.2086%	\$ 9,818	\$ 1,322,476	0.7424%	99.89%
	2019	0.2348%	1,042,122	1,443,453	72.1965%	88.86%
	2018	0.2321%	(172,269)	1,428,380	-12.0604%	101.98%
	2017	0.2489%	512,549	1,475,352	34.7408%	94.15%
	2016	0.2595%	683,031	1,443,327	47.3234%	92.23%
	2015	0.2591%	70,830	1,453,831	4.8720%	99.15%
District Attorneys' Retirement System						
	2020	0.1048%	\$ 83,014	\$ 65,000	127.7138%	84.86%
	2019	0.1106%	35,586	59,583	59.7251%	93.13%
	2018	0.0911%	29,327	52,498	55.8631%	92.92%
	2017	0.0658%	17,754	39,996	44.3894%	93.57%
	2016	0.0606%	11,595	39,996	28.9904%	95.09%
	2015	0.0682%	3,674	39,996	9.1859%	98.56%
	2014	0.0597%	1,190	39,996	2.9753%	99.45%
Registrar of Voters Employees' Retirement System						
	2020	0.1664%	\$ 35,851	\$ 22,547	159.0056%	83.32%
	2019	0.1205%	22,537	15,411	146.2397%	84.83%
	2018	0.1625%	38,359	22,547	170.1291%	80.57%
	2017	0.1646%	36,134	22,547	160.2608%	80.51%
	2016	0.1499%	42,526	20,584	206.5974%	73.98%
	2015	0.1662%	40,708	22,547	180.5473%	76.86%
	2014	0.2337%	54,024	20,581	262.4945%	77.68%

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

(*) The amounts presented have a liability measurement date as follows:

<u>Measurement Date</u>	<u>Pension Plan</u>
December 31 of the prior year	Parochial Employees' Retirement System of Louisiana
June 30 of the year ended	District Attorneys' Retirement System
June 30 of the year ended	Registrar of Voters Employees' Retirement System

Red River Parish Police Jury
Schedule of Contributions to Each Retirement System
Cost Sharing Plans
For the Year Ended December 31, 2020

Pension Plan:	Year	Contractually Required Contribution ¹	Contributions in Relation to Contractually Required Contribution ²	Contribution Deficiency (Excess)	Employer's Covered Payroll ³	Contributions as a % of Covered Employee Payroll
Parochial Employees' Retirement System of Louisiana						
	2020	\$ 198,150	\$ 198,150	-	\$ 1,617,538	12.25%
	2019	152,085	152,085	-	1,322,476	11.50%
	2018	165,997	165,997	-	1,443,453	11.50%
	2017	178,548	178,548	-	1,428,380	12.50%
	2016	191,796	191,796	-	1,475,352	13.00%
	2015	209,282	209,282	-	1,443,327	14.50%
	2014	232,613	232,613	-	1,453,831	16.00%
District Attorneys' Retirement System						
	2020	\$ 2,600	\$ 2,600	-	\$ 65,000	4.00%
	2019	1,639	1,639	-	65,000	2.52%
	2018	406	406	-	65,000	0.62%
	2017	-	-	-	39,996	0.00%
	2016	700	700	-	39,996	1.75%
	2015	2,100	2,100	-	39,996	5.25%
	2014	3,350	3,350	-	39,996	8.38%
Registrar of Voters Employees' Retirement System						
	2020	\$ 4,214	\$ 4,214	-	\$ 23,414	18.00%
	2019	3,831	3,831	-	21,870	17.52%
	2018	2,735	2,735	-	16,087	17.00%
	2017	4,171	4,171	-	22,547	18.50%
	2016	4,350	4,350	-	20,584	21.13%
	2015	5,270	5,270	-	22,547	23.37%
	2014	5,418	5,418	-	22,344	24.25%

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

For reference only:

¹ Employer contribution rate multiplied by employer's covered payroll

² Actual employer contributions remitted to Retirement Systems

³ Employer's covered payroll amount for each of the years ended December 31

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020

Changes of Benefit Terms include:

Parochial Employees' Retirement System of Louisiana Plan A

- No changes noted

District Attorneys' Retirement System

- No changes noted

Registrar of Voters Employees' Retirement System of Louisiana

- No changes noted

Changes of Assumptions

Parochial Employees' Retirement System of Louisiana Plan A

- No changes noted

District Attorneys' Retirement System

- There were changes of assumptions for the year ended December 31, 2020. The investment rate of return changed from 6.5% to 6.25%.

Registrar of Voters Employees' Retirement System of Louisiana

- There were changes of assumptions for the year ended December 31, 2020. The investment rate of return changed from 6.50% to 6.40%.

OTHER SUPPLEMENTARY INFORMATION

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2020

Shawn Beard, President	\$ 15,200
William Brown	18,400
Jessie Davis	18,400
Brandon Hillman	18,400
John Moore, Jr.	18,400
Tray Murray	18,400
Ben Taylor	18,400
	<u>\$ 125,600</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO HEAD OF POLICE JURY
FOR THE YEAR ENDED DECEMBER 31, 2020

Parish Administration Manager:	<u>Jessie Davis</u>
<u>Purpose</u>	<u>Amount</u>
Salary	\$ 124,817
Benefits - insurance	992
Benefits - retirement	8,664
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	7,394
Registration fees	275
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 142,142</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED DECEMBER 31, 2020

First Six Month Period Ended 06/30/2020	Second Six Month Period Ended 12/31/2020
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Receipts From:

<i>Red River Parish Sheriff/ Criminal Court Costs/Fees</i>	\$ 20,150	\$ 45,430
<i>Example - Livingston Parish Sheriff, Criminal Fines - Other</i>		
<i>Agency name/collection type</i>		
<i>Agency name/collection type</i>		
<i>Agency name/collection type</i>		
<i>Agency name/collection type</i>		
<i>Agency name/collection type</i>		
Subtotal Receipts	\$ 20,150	\$ 45,430

Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

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OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' 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

Red River Parish Police Jury
Coushatta, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Red River Parish Police Jury's basic financial statements, and have issued our report thereon dated September 22, 2021.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

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

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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
September 22, 2021

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2020

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified, Adverse for the Aggregate Discretely Presented Component Units

- Material weakness identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

FINANCIAL STATEMENT FINDINGS

None

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2020

No prior year findings