

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Annual Financial Report
As of and for the Year Ended December 31, 2022**



East Carroll Parish Police Jury

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(Concluded)

Independent Auditor's Report

To the Jurors of the East Carroll Parish Police Jury
Lake Providence, Louisiana

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

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 East Carroll Parish Police Jury (the Police Jury), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on Aggregate Discretely Presented Component Units paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of East Carroll Parish Police Jury as of December 31, 2022, or the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, and Each Major Fund

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; the major funds; and the aggregate remaining fund information of the primary government of East Carroll Parish Police Jury as of December 31, 2022, 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.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Police Jury, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are not reasonably obtainable.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 11, the budgetary comparison schedules on pages 68 to 72, and the supplementary schedules required by Governmental Accounting Standards Board Statement No. 68 on page 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is the responsibility of management and 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's primary government financial statements taken as a whole. The schedules listed in the table of contents as Exhibits 3 through 10 are presented for purposes of additional analysis and are not a required part of the Police Jury's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, as required by Louisiana Revised Statute (R.S.) 24:513 is also presented for the purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Exhibits 3 through 10, the schedule of expenditures of federal awards, and the schedule of compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023 on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Police Jury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
June 22, 2023

East Carroll Parish Police Jury

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REQUIRED SUPPLEMENTARY INFORMATION

**Management's Discussion
And Analysis (MD&A)**

East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022

Our discussion and analysis of East Carroll Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2022. Separate financial statements may be obtained from component units not included.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

The assets and deferred outflows of resources of the Police Jury exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2022 by \$12,033,134 (net position). Of this amount, \$1,090,952 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

The Police Jury's total net position changed \$100,069 during 2022. Significant changes in revenues include an increase in ad valorem tax revenues and a decrease in sales tax revenues. Significant changes in expenses include an increase in public works mainly due to an increase in road and drainage construction equipment maintenance and repairs and a reduction in judicial expenses. In addition, retirement expenses related to the changes in the net pension asset and the related deferred outflows and inflows of resources reduced retirement expenses.

At the end of 2022, the Police Jury's governmental funds reported combined fund balances of \$5,716,361, a change of \$155,545 in comparison with prior year. \$567,159 or 10% of the combined fund balance is available for spending at the government's discretion (unassigned fund balance). All unassigned fund balance is reported in the General fund.

Total spending for all our governmental activities was \$4,827,507 for the year. Most of the Police Jury's property and sales taxes were used to support the net cost (after deducting restricted grants and fees charged to users) of these six areas: finance and administrative \$306,492, other general government \$372,550, public safety \$310,016, public works \$2,215,280, health and welfare \$134,635 and culture and recreation \$271,190.

NEW GASB STANDARD In the current fiscal year, the Police Jury implemented GASB Statement No. 87 – *Leases*. The principal objective of this statement is to improve accounting and financial reporting for leases by governments. It increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. The implementation of the standards had no effect on the Police Jury's financial statements or notes to the financial statements.

USING THIS ANNUAL REPORT The Police Jury's annual report consists of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our government funds, these statements tell how we financed our services in the short term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - General, Road Maintenance and Construction, Garbage District No. 1, Library, Drainage Maintenance, and Coronavirus Local Fiscal Recovery.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**

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**Fund
Financial Statements**

Notes to the Financial Statements

Required Supplementary Information

**Schedule of the Police Jury's Proportionate Share of the Net Pension Liability (Asset)
Schedule of the Police Jury's Contributions to the Pension Plan
Budgetary Comparison Schedules**

Supplementary Information

**Nonmajor Funds Combining Statements
Schedule of Compensation Paid Police Jurors
Schedule of Compensation, Benefits and Other Payments to Agency Head
Justice System Funding Schedule – Receiving Entity
Housing Choice Voucher Financial Data Schedule**

Our auditor will provide assurance in the independent auditor's report, which will be located immediately preceding this Management's Discussion and Analysis in the audited financial report, that the basic financial statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance will be provided by the auditor regarding the required supplementary information (RSI) and the supplementary information. A user of the audit report should read the independent auditor's report carefully to ascertain the level of assurance being provided by the auditor for each part of this report.

Reporting the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities Our analysis of the Police Jury as a whole begins with the government-wide financial statements. One of the most important questions asked about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities, and deferred inflows/outflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022

These two statements report the Police Jury's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position - as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position, as reported in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges, and drainage systems to assess the overall health of the Police Jury.

In the Statement of Net Position and Statement of Activities, we divide the Police Jury into two kinds of activities:

Governmental activities - Most of the Police Jury's services are reported here, including public works and public safety. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Business-type activities - The Police Jury manages the Section 8 Housing Choice Voucher program and receives an administrative fee for the activities. The Police Jury is the owner of the East Carroll Housing Development Corporation and receives a developer fee for its activities. These programs are reported here.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Road Maintenance and Construction fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the Police Jury receives for Section 8). The Police Jury's governmental funds use the following accounting approach:

Governmental funds - Most of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's operations and the services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on Statements D and F.

Proprietary funds - Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statements of Activities. In fact, the Police Jury's Section 8 and East Carroll Housing Development enterprise funds (a component of proprietary funds) is the same as business-type activities we report in the government-wide financial statements but provide more detail and additional information, such as cash flows, for proprietary funds.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

THE POLICE JURY AS A WHOLE As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The Police Jury's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$12,033,134. Our analysis below focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental and business-type activities.

**Table 1
Net Position
December 31,**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Other assets	\$ 7,307,078	\$ 6,786,222	\$ 158,343	\$ 159,689	\$ 7,465,421	\$ 6,945,911
Capital assets	6,771,923	7,302,571	2,544	6,863	6,774,467	7,309,434
Total assets	<u>14,079,001</u>	<u>14,088,793</u>	<u>160,887</u>	<u>166,552</u>	<u>14,239,888</u>	<u>14,255,345</u>
Deferred outflows of resources	<u>280,882</u>	<u>341,357</u>	<u>7,737</u>	<u>9,825</u>	<u>288,619</u>	<u>351,182</u>
Other liabilities	581,445	869,059	153	8,470	581,598	877,529
Long-term liabilities	941,932	1,083,785	1,052	526	942,984	1,084,311
Total liabilities	<u>1,523,377</u>	<u>1,952,844</u>	<u>1,205</u>	<u>8,996</u>	<u>1,524,582</u>	<u>1,961,840</u>
Deferred inflows of resources	<u>944,768</u>	<u>691,713</u>	<u>26,023</u>	<u>19,909</u>	<u>970,791</u>	<u>711,622</u>
Net position						
Net investment in capital assets	5,842,883	6,225,197	2,544	6,863	5,845,427	6,232,060
Restricted	5,081,581	4,800,735	15,174	37,276	5,096,755	4,838,011
Unrestricted	967,274	759,661	123,678	103,333	1,090,952	862,994
Total net position	<u>\$ 11,891,738</u>	<u>\$ 11,785,593</u>	<u>\$ 141,396</u>	<u>\$ 147,472</u>	<u>\$ 12,033,134</u>	<u>\$ 11,933,065</u>

The largest portion of the Police Jury's combined net position (\$5,845,427 or 49%) reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles, and infrastructure), less accumulated depreciation and any related outstanding debt that was used to acquire those assets. The Police Jury uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Police Jury's investments in capital assets are reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Police Jury's combined net position (\$5,096,755 or 42%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,090,952 is unrestricted net position and may be used to meet the Police Jury's obligations to its citizens and creditors.

At the end of the current fiscal year, the Police Jury is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for the separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2 takes the information from that Statement and rearranges it slightly so you can see our total revenues for the year.

**Table 2
Changes in Net Position
For the Years Ended December 31,**

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>
Revenues:						
Program revenues						
Charges for services	\$ 423,523	\$ 501,519	\$ (77,996)	\$ -	\$ -	\$ -
Operating grants & contributions	500,467	257,015	243,452	680,315	668,622	11,693
General Revenues						
Ad valorem taxes	2,824,039	2,298,682	525,357	-	-	-
Sales taxes	810,820	1,032,854	(222,034)	-	-	-
Licenses and permits	103,414	167,601	(64,187)	-	-	-
Other general revenues	271,389	233,089	38,300	533	497	36
Total revenues	<u>4,933,652</u>	<u>4,490,760</u>	<u>442,892</u>	<u>680,848</u>	<u>669,119</u>	<u>11,729</u>
Functions/Program Expenses:						
General government:						
Legislative	107,755	101,069	6,686	-	-	-
Judicial	527,271	671,004	(143,733)	-	-	-
Elections	44,720	43,539	1,181	-	-	-
Finance and administrative	310,292	275,032	35,260	-	-	-
Other general government	372,550	347,692	24,858	-	-	-
Public safety	383,668	402,179	(18,511)	-	-	-
Public works	2,561,587	2,393,079	168,508	-	-	-
Health and welfare	134,635	118,741	15,894	686,924	637,664	49,260
Culture and recreation	318,548	346,178	(27,630)	-	-	-
Transportation	31,218	31,199	19	-	-	-
Interest on long-term debt	35,263	41,457	(6,194)	-	-	-
Total expenses	<u>4,827,507</u>	<u>4,771,169</u>	<u>56,338</u>	<u>686,924</u>	<u>637,664</u>	<u>49,260</u>
Increase (decrease) in net position	106,145	(280,409)	386,554	(6,076)	31,455	(37,531)
Net position - beginning	<u>11,785,593</u>	<u>12,066,002</u>	<u>(280,409)</u>	<u>147,472</u>	<u>116,017</u>	<u>31,455</u>
Net position - ending	<u>\$ 11,891,738</u>	<u>\$ 11,785,593</u>	<u>\$ 106,145</u>	<u>\$ 141,396</u>	<u>\$ 147,472</u>	<u>\$ (6,076)</u>

The Police Jury's overall net position changed \$100,069 from the prior year. The reasons for this overall change are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities During the current fiscal year, net position for the governmental activities changed \$106,145 from the prior fiscal year for an ending balance of \$11,891,738. The Police Jury's governmental activities experienced an overall increase in revenues of \$442,892. Revenues received from operating grants & contributions (\$500,467), ad valorem taxes (\$2,824,039), and other general revenues (\$271,389) experienced an increase from the amounts reported in the prior fiscal year while charges for services (\$423,523), sales taxes revenues (\$810,820), and licenses and permits (\$103,414) experienced a decline in revenues. The increase in revenues can mainly be contributed to the increase in ad valorem tax collections. Expenses changed from \$4,771,169 reported in prior year to \$4,827,507.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

This change can mainly be contributed to an increase in road and drainage construction equipment repairs and maintenance expenses offset by a decrease in retirement expenses related to the changes in the net pension asset and related deferred outflows and inflows of resources.

Business-type Activities The Police Jury's business-type activities experienced a change of (\$6,076) in net position from the prior fiscal year for an ending balance of \$141,396. Current year operating grants revenues experienced an increase of \$11,693 due to an increase in HUD administration fees. Expenses increased \$49,260 primarily due to increased housing assistance payments in comparison with prior year.

Governmental Activities – Cost of Services As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$4,827,507. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$3,903,517 because some of the cost was paid by those who benefited from the programs \$423,523 or by other governments and organizations who subsidized certain programs with grants and contributions \$500,467. We paid for the remaining "public benefit" portion of our governmental activities with taxes and with our other revenues, like interest and general entitlements.

In Table 3 below, we have presented the cost of each of the Police Jury's six largest governmental activities functions - judicial, finance and administrative, other general government, public safety, public works, and culture and recreation, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Table 3
Costs of Services
For the Years Ended December 31,**

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2022	2022	2021	2021
Judicial	\$ 527,271	\$ 80,773	\$ 671,004	\$ 330,547
Finance and administrative	310,292	306,492	275,032	275,032
Other general government	372,550	372,550	347,692	347,692
Public safety	383,668	310,016	402,179	354,551
Public works	2,561,587	2,215,280	2,393,079	2,055,238
Culture and Recreation	318,548	271,190	346,178	318,370
All others	353,591	347,216	336,005	331,205
Totals	<u>\$ 4,827,507</u>	<u>\$ 3,903,517</u>	<u>\$ 4,771,169</u>	<u>\$ 4,012,635</u>

POLICE JURY'S FUNDS As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022

Governmental Funds As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$5,716,361 which is a change of \$155,545 from prior year. The primary reasons for the changes in fund balances are:

The General fund, our principal operating fund, experienced a change of \$(151,286) to reach an ending fund balance of \$621,234. At the end of the current fiscal year, unassigned fund balance of the general fund was \$598,934 or approximately 48% of total general fund expenditures. Revenues for the current fiscal year decreased primarily from decreases in occupational license revenue and state grants. Expenditures for the current fiscal year decreased mainly due to a decrease in CWEF expenditures offset by an increase in employee health insurance benefit costs in the current year. The General fund usually supplements the Criminal Court fund through transfers; however, in the current year this was done through the Coronavirus Local Fiscal Recovery fund.

The Road Maintenance and Construction fund accounts for funds used to maintain parish roads and streets. This fund showed a change of \$(39,460) from the amount reported at the end of the prior fiscal year to \$1,519,165. Significant changes from the prior year include a decrease in sales tax collections and no purchases of construction equipment and vehicles in the current year. Also, the Road fund experienced increases in salaries, fuel, and in equipment maintenance and repair costs in comparison with the prior year.

The Garbage District No. 1 accounts for parish garbage collection services. This fund showed a fund balance change of \$54,756, from \$583,780 reported in the prior fiscal year to \$638,536. This change is mainly due to the increase in ad valorem tax collections and garbage collection fees offset by an increase in equipment maintenance and repair expenditures.

The Library fund accounts for the public library. The Library's fund balance of \$987,375 showed an increase of \$141,944 for the current fiscal. Significant changes from the amounts reported the prior year include an increase in ad valorem collections and miscellaneous revenues.

The Drainage Maintenance fund accounts for maintenance of the parish drainage system. This fund showed a change of \$9,851 to \$245,103. This change is primarily due to the increase in ad valorem tax collections and miscellaneous revenues; and a reduction of purchases of construction equipment offset by an increase in construction equipment maintenance and repairs in comparison with prior year.

The Coronavirus Local Fiscal Recovery Fund accounts for a federal grant received to respond to the public health emergency, COVID-19 or its negative economic impacts, respond to workers performing essential work during the COVID-19 pandemic by providing premium pay to eligible workers, and to provide government services, to the extent COVID-19 caused a reduction in revenues collected in the most recent full fiscal year. Fund balance neither increased nor decreased since it is a cost reimbursement grant.

The Nonmajor Governmental funds are comprised of the special revenue funds (Rural Fire Protection, LSU Cooperative Extension, Health Unit, and Criminal Court) and the Fire Bond Debt Service fund. The combined funds showed a change of \$139,740 to \$1,704,948.

Proprietary Funds

The Section 8 Voucher fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. This fund showed a change of \$(6,076) from \$122,472 reported in prior year to \$116,396. This decrease is mainly due to the housing assistance payments exceeding HUD funding in the current fiscal year.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

The East Carroll Housing Development fund accounts for the activity of the Police Jury's not-for-profit corporation, East Carroll Parish Development Corporation. This corporation was established to assist in providing affordable housing to East Carroll Parish and had an ending net position of \$25,000. The Corporation did not have any activity during the current fiscal year.

General Fund Budgetary Highlights Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report).

The amounts available for appropriations for the General fund's final budget were \$163,781 less than the original budget mainly due to a decrease in expected intergovernmental revenues. The charges to the appropriations for the General Fund's final budget were \$105,612 less than the original budget. These budget reductions were mainly due to a reduction in grant expenditures offset by an increase in transfers out to the cover Criminal Court's shortfalls.

The actual amounts available for appropriations for the General fund were \$7,780 less than the amount budgeted. This is due mainly to receiving less in use of money and property and state revenue sharing than estimated. The actual charges to appropriations were \$149,500 less than budgeted primarily because the transfers to Criminal Court were funded by the Coronavirus Local Fiscal Recovery fund in the current year instead of the General fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2022, the Police Jury had \$6,774,467 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions, and depreciation) of \$534,967 or 7%, from last year.

Capital Assets at December 31,

	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Land	\$ 375,665	\$ 375,665	\$ -	\$ -
Construction in progress	29,046	6,250	-	-
Buildings	720,736	772,769	-	-
Furniture and office equipment	(400)	66,767	2,544	3,562
Construction equipment	1,273,134	1,440,609	-	-
Vehicles	909,254	1,015,625	-	3,301
Infrastructure	3,464,488	3,624,886	-	-
Total capital assets	<u>\$ 6,771,923</u>	<u>\$ 7,302,571</u>	<u>\$ 2,544</u>	<u>\$ 6,863</u>

We present more detailed information about our capital assets in Note 7 in the notes to the financial statements.

The Police Jury is responsible for the maintenance of 139 routes in East Carroll Parish consisting of 289.23 linear miles of two-lane gravel and asphalt roads. Other roads are located in East Carroll Parish but are maintained by the City of Lake Providence or the State of Louisiana. The majority of the Police Jury maintained roads were asphalt surfaced in the 1960s and 1970s. However, since that time many have been disked and changed back to gravel surface. Accordingly, the surface type of most roads maintained today by the Police Jury is gravel.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

Infrastructure road right-of-ways consist of the sixty feet right-of-way for the 289.23 miles of roads maintained by the Police Jury. The acreage was determined by multiplying the sixty feet of right-of-way by the 5,280 linear feet in a mile by the 289.23 linear miles of road and dividing the sum by the 43,560 square feet in an acre. The result of 2,103.49 acres is the number of acres comprising the land associated with the 289.23 linear miles of roads maintained by the Police Jury.

These roads include thirty-two bridges, eleven of which are concrete structures and twenty-one are wooden structures. Most bridges are thirty to fifty feet in length with two to three spans. The longest bridge is the Bayou Macon Bridge with twelve spans for a total length of 269 feet. The next longest is Loggy Bayou bridge with eight spans for a total length of 156 feet. All other bridges are less than 100 feet in total length. The shortest bridge is the drain to Jones Bayou consisting of two spans for a total length of 23 feet.

Cost of infrastructure assets was determined in several ways. GASB No. 34 requires capital assets to be recorded at historical cost or at estimated historical cost whenever it is impractical to determine historical cost because of inadequate records. The cost was determined as identified below whenever actual historical cost was not known.

The surface cost of the roads was determined by multiplying the estimated current cost to construct a linear mile of two lanes of gravel or asphalt road and deflating the current cost to the estimated cost at the time of construction of the roads. Most roads were considered to have been constructed in the 1950s and 1960s with most asphalt surfacing occurring in the 1960s and 1970s, and with resurfacing occurring periodically since. The surface of the roads currently was considered by management to be approximately 20 years old. Accordingly, 1979 was considered as the date of purchase for all surface materials for depreciation purpose.

The cost of the right-of-way was determined by using a current average value for farmland of \$1,500 an acre deflated to the estimated year of acquisition or prescription.

Eleven bridges have been replaced in with concrete structures with funding provided by the U.S. Government. Cost figures for five of these concrete bridges were obtained from the Louisiana Department of Transportation and Development, the pass-through entity for the federal funding. The estimated cost for the other six concrete bridges were estimated based on the actual cost of the other five concrete bridges, considering the date constructed, the number of spans and the total length of the bridge. The cost of the 21 wood structure bridges was based on management's estimate of today's cost to construct deflated to the actual year of construction.

The deflation factors used were as per the "price trends for federal-aid highway construction" obtained from the United States Department of Transportation web site.

Debt On April 1, 2020, the Police Jury issued \$450,000 in general obligation bonds to fund constructing and improving buildings, machinery, and equipment to be used in giving fire protection to the citizens of East Carroll Parish. \$338,000 of the private placement general obligation bonds were issued with an interest rate of 3.5% and \$112,000 were issued with an interest rate of 1.75%. The \$450,000 in outstanding bonds are payable over 13 years with the final payment due on March 1, 2035. The Police Jury was not required to make any principal payments in 2022.

The Police Jury has financed the purchase of various equipment through notes payable. Outstanding balance of notes payable at December 31, 2022 is \$479,040.

Other debt consists of accrued vacations (compensated absences). We present more detailed information about our long-term debt in Note 11 of the notes to the financial statements.

Information about the net pension (assets)/liabilities is presented in Note 9 of the notes to the financial statements.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the Police Jury's budget and tax rates. One of the most crucial factors affecting the budget is our ad valorem and sales tax collections. We have budgeted minor change in next year's budget for ad valorem and sales tax collections. Approximately 70% of total revenue is from ad valorem and sales taxes. We have projected an increase in net position for the 2023 budget year.

The Police Jury received its second installment of \$666,335 in Coronavirus State and Local Fiscal Recovery Funds grant award and is expected to receive a LCDBG \$750 thousand federal grant in 2023 for construction of Love Louisiana Park in East Carroll Parish.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Natosha Davis, Secretary-Treasurer, at the East Carroll Parish Police Jury, 400 First Street, Lake Providence, Louisiana 71254, telephone number (318) 559-2256.

BASIC FINANCIAL STATEMENTS

**Government-wide
Financial Statements (GWFS)**

East Carroll Parish Police Jury

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EAST CARROLL PARISH POLICE JURY

STATEMENT OF NET POSITION

December 31, 2022

Statement A

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	\$ 3,060,718	\$ 90,246	\$ 3,150,964
Investments	757,606	-	757,606
Cash and cash equivalents - restricted	-	15,174	15,174
Receivables	2,442,565	2,434	2,444,999
Internal balances	(22,294)	22,294	-
Prepaid items	98,281	1,471	99,752
Net pension asset	970,202	26,724	996,926
Capital assets not being depreciated	962,945	-	962,945
Capital assets, net of accumulated depreciation	5,808,978	2,544	5,811,522
TOTAL ASSETS	14,079,001	160,887	14,239,888
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	280,882	7,737	288,619
TOTAL DEFERRED OUTFLOWS OF RESOURCES	280,882	7,737	288,619
LIABILITIES			
Accounts, salaries, and other payables	159,548	153	159,701
Interest payable	5,190	-	5,190
Unearned Revenue	416,707	-	416,707
Long-term liabilities			
Due within one year:			
Long-term debt: Bonds, notes, and compensated absences	157,562	1,052	158,614
Due in more than one year:			
Long-term debt: Bonds, notes, and compensated absences	784,370	-	784,370
TOTAL LIABILITIES	1,523,377	1,205	1,524,582
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	944,768	26,023	970,791
TOTAL DEFERRED INFLOWS OF RESOURCES	944,768	26,023	970,791
NET POSITION			
Net investment in capital assets	5,842,883	2,544	5,845,427
Restricted for:			
Road Maintenance	1,502,245	-	1,502,245
Garbage	624,553	-	624,553
Library	992,985	-	992,985
Drainage	231,124	-	231,124
Health Unit	630,700	-	630,700
Debt service	115,910	-	115,910
Rural Fire Protection	621,628	-	621,628
LSU Cooperative Extension	362,436	-	362,436
Housing Assistance Payments	-	15,174	15,174
Unrestricted	967,274	123,678	1,090,952
TOTAL NET POSITION	\$ 11,891,738	\$ 141,396	\$ 12,033,134

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

EAST CARROLL PARISH POLICE JURY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS
<i>Governmental Activities:</i>			
General government:			
Legislative	\$ 107,755	\$ -	\$ -
Judicial	527,271	245,298	201,200
Elections	44,720	-	-
Finance and administrative	310,292	-	3,800
Other general government	372,550	-	-
Public safety	383,668	-	73,652
Public works	2,561,587	163,043	183,264
Health and welfare	134,635	-	-
Culture and recreation	318,548	8,807	38,551
Transportation	31,218	6,375	-
Interest on long-term debt	35,263	-	-
Total Governmental Activities	<u>4,827,507</u>	<u>423,523</u>	<u>500,467</u>
<i>Business-Type Activities:</i>			
Health and welfare	<u>686,924</u>	<u>-</u>	<u>680,315</u>
 Total Primary Government	 <u>\$ 5,514,431</u>	 <u>\$ 423,523</u>	 <u>\$ 1,180,782</u>

General revenues:

Taxes:

- Property taxes, levied for general purposes
- Property taxes, levied for debt services
- Sales taxes, levied for general purposes
- Other taxes

Grants and contributions not restricted to specific programs

Licenses and permits

Interest and investment earnings

Miscellaneous

Total general revenues

Changes in net position

Net position - beginning

Net position - ending

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

Statement B

PRIMARY GOVERNMENT

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (107,755)	\$ -	\$ (107,755)
(80,773)	-	(80,773)
(44,720)	-	(44,720)
(306,492)	-	(306,492)
(372,550)	-	(372,550)
(310,016)	-	(310,016)
(2,215,280)	-	(2,215,280)
(134,635)	-	(134,635)
(271,190)	-	(271,190)
(24,843)	-	(24,843)
(35,263)	-	(35,263)
(3,903,517)	-	(3,903,517)
	(6,609)	(6,609)
(3,903,517)	(6,609)	(3,910,126)
2,779,264	-	2,779,264
44,775	-	44,775
810,820	-	810,820
35,044	-	35,044
115,513	-	115,513
103,414	-	103,414
21,407	-	21,407
99,425	533	99,958
4,009,662	533	4,010,195
106,145	(6,076)	100,069
11,785,593	147,472	11,933,065
\$ 11,891,738	\$ 141,396	\$ 12,033,134

East Carroll Parish Police Jury

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

EAST CARROLL PARISH POLICE JURY

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2022

	<u>GENERAL</u>	<u>ROAD MAINTENANCE AND CONSTRUCTION</u>	<u>GARBAGE DISTRICT NO. 1</u>
ASSETS			
Cash and cash equivalents	\$ 601,292	\$ 290,256	\$ 44,097
Investments	1,525	207,540	141,337
Receivables	446,634	436,276	468,053
Interfund receivables	24,391	581,800	10,010
Prepaid items	22,300	24,510	20,588
TOTAL ASSETS	<u>1,096,142</u>	<u>1,540,382</u>	<u>684,085</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other payables	29,762	13,627	38,944
Interfund payables	436,736	-	-
Unearned revenue	-	-	-
Total Liabilities	<u>466,498</u>	<u>13,627</u>	<u>38,944</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	8,410	7,590	6,605
Total Deferred inflow of resources	<u>8,410</u>	<u>7,590</u>	<u>6,605</u>
Fund Balances:			
Nonspendable	22,300	24,510	20,588
Restricted	-	1,494,655	617,948
Unassigned	598,934	-	-
Total Fund Balances	<u>621,234</u>	<u>1,519,165</u>	<u>638,536</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 1,096,142</u>	<u>\$ 1,540,382</u>	<u>\$ 684,085</u>

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

Statement C

<u>LIBRARY</u>	<u>DRAINAGE MAINTENANCE</u>	<u>CORONAVIRUS LOCAL FISCAL RECOVERY</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 414,844	\$ 12,544	\$ 434,624	\$ 1,263,061	\$ 3,060,718
232,639	66,813	-	107,752	757,606
365,260	366,115	-	360,227	2,442,565
-	3,979	-	33,222	653,402
1,961	21,569	-	7,353	98,281
<u>1,014,704</u>	<u>471,020</u>	<u>434,624</u>	<u>1,771,615</u>	<u>7,012,572</u>
1,564	1,052	17,917	56,682	159,548
18,194	217,275	-	3,491	675,696
-	-	416,707	-	416,707
<u>19,758</u>	<u>218,327</u>	<u>434,624</u>	<u>60,173</u>	<u>1,251,951</u>
<u>7,571</u>	<u>7,590</u>	<u>-</u>	<u>6,494</u>	<u>44,260</u>
<u>7,571</u>	<u>7,590</u>	<u>-</u>	<u>6,494</u>	<u>44,260</u>
1,961	21,569	-	7,353	98,281
985,414	223,534	-	1,729,370	5,050,921
-	-	-	(31,775)	567,159
<u>987,375</u>	<u>245,103</u>	<u>-</u>	<u>1,704,948</u>	<u>5,716,361</u>
<u>\$ 1,014,704</u>	<u>\$ 471,020</u>	<u>\$ 434,624</u>	<u>\$ 1,771,615</u>	<u>\$ 7,012,572</u>

East Carroll Parish Police Jury

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EAST CARROLL PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2022**

Statement D

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		\$ 5,716,361
<p>The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets	\$ 25,538,510	
Accumulated depreciation	<u>(18,766,587)</u>	
		6,771,923
<p>Long-term assets that are not available to pay current period expenditures are reported as deferred inflows of resources: unavailable revenue - property taxes in the governmental funds and are reported as revenue in the government-wide statements.</p>		
		44,260
<p>Net pension asset is not available to pay current period expenditures and therefore are not reported in the governmental funds.</p>		
		970,202
<p>Deferred outflows of resources related to pensions are not available to pay current period expenditures and therefore are not reported in the governmental funds.</p>		
		280,882
<p>Deferred inflows of resources related to pensions are not due and payable in the current period and accordingly are not reported in the governmental funds.</p>		
		(944,768)
<p>Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.</p>		
Balances at year end are:		
Long-term liabilities		
Bonds payable	(450,000)	
Notes payable	(479,040)	
Compensated absences	(12,892)	
Interest payable	<u>(5,190)</u>	
		<u>(947,122)</u>
Net position of governmental activities		<u>\$ 11,891,738</u>

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

EAST CARROLL PARISH POLICE JURY

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes
in Fund Balances
For the Year Ended December 31, 2022**

	<u>GENERAL</u>	<u>ROAD MAINTENANCE AND CONSTRUCTION</u>	<u>GARBAGE DISTRICT NO. 1</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 506,133	\$ 456,079	\$ 522,509
Sales and use	81,082	729,738	-
Other taxes	18,006	-	-
Licenses and permits	103,414	-	-
Fines and forfeitures	-	-	-
Fees, charges, and commissions for services	192,776	-	160,366
Use of money and property	22,827	4,055	2,457
Other revenues	33,124	22,401	12,994
Intergovernmental revenues:			
State sources:			
Parish transportation funds	-	137,436	-
State revenue sharing	8,295	7,488	5,167
Other	77,770	-	-
Federal sources - federal grants	43,611	-	-
Total Revenues	<u>1,087,038</u>	<u>1,357,197</u>	<u>703,493</u>
EXPENDITURES			
Current:			
General government:			
Legislative	107,755	-	-
Judicial	166,600	-	-
Elections	42,694	-	-
Finance and administrative	218,285	-	-
Other general government	441,947	-	-
Public safety	214,287	-	-
Public works	26,599	1,302,070	573,298
Health and welfare	9,456	-	-
Culture and recreation	1,500	-	-
Transportation	2,951	-	-
Capital outlay	6,250	-	-
Debt service:			
Principal retirement	-	79,176	69,158
Interest and bank charges	-	15,411	6,281
Total Expenditures	<u>1,238,324</u>	<u>1,396,657</u>	<u>648,737</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ (151,286)</u>	<u>\$ (39,460)</u>	<u>\$ 54,756</u>

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

Statement E

LIBRARY	DRAINAGE MAINTENANCE	CORONAVIRUS LOCAL FISCAL RECOVERY	NONMAJOR GOVERNMENTAL	TOTAL
\$ 455,043	\$ 456,080	\$ -	\$ 430,707	\$ 2,826,551
-	-	-	-	810,820
-	-	-	-	18,006
-	-	-	-	103,414
-	-	-	220,180	220,180
8,807	2,677	-	-	364,626
2,552	1,163	-	3,353	36,407
25,299	31,280	-	1,845	126,943
-	-	-	-	137,436
7,467	7,488	-	3,038	38,943
-	-	-	30,041	107,811
36,151	-	249,628	-	329,390
<u>535,319</u>	<u>498,688</u>	<u>249,628</u>	<u>689,164</u>	<u>5,120,527</u>
-	-	-	-	107,755
-	-	-	404,544	571,144
-	-	-	-	42,694
-	-	3,800	128,519	350,604
-	-	-	-	441,947
-	-	-	88,536	302,823
-	488,837	45,828	-	2,436,632
-	-	-	114,035	123,491
376,829	-	-	-	378,329
-	-	-	-	2,951
16,546	-	-	-	22,796
-	-	-	-	148,334
-	-	-	13,790	35,482
<u>393,375</u>	<u>488,837</u>	<u>49,628</u>	<u>749,424</u>	<u>4,964,982</u>
\$ 141,944	\$ 9,851	\$ 200,000	\$ (60,260)	\$ 155,545

(Continued)

EAST CARROLL PARISH POLICE JURY

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes
in Fund Balances
For the Year Ended December 31, 2022

	<u>GENERAL</u>	<u>ROAD MAINTENANCE AND CONSTRUCTION</u>	<u>GARBAGE DISTRICT NO. 1</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ -	\$ -
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(151,286)	(39,460)	54,756
FUND BALANCES - BEGINNING	<u>772,520</u>	<u>1,558,625</u>	<u>583,780</u>
FUND BALANCES - ENDING	<u>\$ 621,234</u>	<u>\$ 1,519,165</u>	<u>\$ 638,536</u>

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

Statement E

<u>LIBRARY</u>	<u>DRAINAGE MAINTENANCE</u>	<u>CORONAVIRUS LOCAL FISCAL RECOVERY</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
-	-	(200,000)	-	(200,000)
-	-	(200,000)	200,000	-
141,944	9,851	-	139,740	155,545
845,431	235,252	-	1,565,208	5,560,816
<u>\$ 987,375</u>	<u>\$ 245,103</u>	<u>\$ -</u>	<u>\$ 1,704,948</u>	<u>\$ 5,716,361</u>

(Concluded)

EAST CARROLL PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2022**

	Statement F
Amounts reported for governmental activities in the Statement of Activities are different because:	
Total net change in fund balances - governmental funds	\$ 155,545
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays expense in the period.	
Capital outlay	\$ 83,551
Depreciation expense	<u>(614,199)</u>
	(530,648)
Repayment of bond principal and notes payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	148,334
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(6,481)
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the governmental funds are the amounts actually paid.	341,688
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(2,512)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	<u>219</u>
Change in net position of governmental activities	<u><u>\$ 106,145</u></u>

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

EAST CARROLL PARISH POLICE JURY

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

Statement of Net Position

December 31, 2022

Statement G

	SECTION 8 VOUCHER	EAST CARROLL HOUSING DEVELOPMENT	TOTAL
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 90,246	\$ -	\$ 90,246
Cash and cash equivalents - restricted	15,174	-	15,174
Receivables	2,434	-	2,434
Interfund receivables	-	25,000	25,000
Prepaid items	1,471	-	1,471
Total Current Assets	109,325	25,000	134,325
Non-Current Assets:			
Net pension asset	26,724	-	26,724
Property, plant and equipment (net of accumulated depreciation)	2,544	-	2,544
Total Non-Current Assets	29,268	-	29,268
TOTAL ASSETS	138,593	25,000	163,593
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	7,737	-	7,737
TOTAL DEFERRED OUTFLOWS OF RESOURCES	7,737	-	7,737
LIABILITIES			
Current Liabilities:			
Accounts payable	153	-	153
Interfund payables	2,706	-	2,706
Compensated absences payable	1,052	-	1,052
Total Current Liabilities	3,911	-	3,911
TOTAL LIABILITIES	3,911	-	3,911
DEFERRED INFLOWS OF RESOURCES			
Deferred outflows related to pensions	26,023	-	26,023
TOTAL DEFERRED INFLOWS OF RESOURCES	26,023	-	26,023
NET POSITION			
Net investment in capital assets	2,544	-	2,544
Restricted for HAP (Expendable)	15,174	-	15,174
Unrestricted	98,678	25,000	123,678
TOTAL NET POSITION	\$ 116,396	\$ 25,000	\$ 141,396

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

EAST CARROLL PARISH POLICE JURY

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

**Statement of Revenues, Expenses,
and Changes in Fund Net Position
For the Year Ended December 31, 2022**

Statement H

	SECTION 8 VOUCHER	EAST CARROLL HOUSING DEVELOPMENT	TOTAL
OPERATING REVENUES			
Federal Grants	\$ 680,315	\$ -	\$ 680,315
Miscellaneous income	533	-	533
Total operating revenues	<u>680,848</u>	<u>-</u>	<u>680,848</u>
OPERATING EXPENSES			
Administration	77,570	-	77,570
Housing assistance payments	605,035	-	605,035
Depreciation	4,319	-	4,319
Total operating expenses	<u>686,924</u>	<u>-</u>	<u>686,924</u>
NET CHANGE IN NET POSITION	(6,076)	-	(6,076)
NET POSITION - BEGINNING OF YEAR	<u>122,472</u>	<u>25,000</u>	<u>147,472</u>
NET POSITION - END OF YEAR	<u><u>\$ 116,396</u></u>	<u><u>\$ 25,000</u></u>	<u><u>\$ 141,396</u></u>

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

EAST CARROLL PARISH POLICE JURY

PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows

For the Year Ended December 31, 2022

Statement I

**SECTION 8
VOUCHER**

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to vendors	\$ (39,844)
Payments to employees	(44,738)
Payments to private landlords and others	(605,035)
Federal grants	<u>670,356</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(19,261)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,261)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>124,681</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>105,420</u></u>
RECONCILIATION TO THE STATEMENT OF NET POSITION:	
Cash and cash equivalents	90,246
Cash and cash equivalents - restricted	<u>15,174</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>105,420</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	(6,076)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	4,319
(Increase) decrease in accounts receivable	(1,575)
(Increase) decrease in prepaid expenses	(133)
(Increase) decrease in deferred outflows related to pensions	2,088
(Increase) decrease in net pension asset	(17,658)
Increase (decrease) in accounts payable	67
Increase (decrease) in interfund payable	1,451
Increase (decrease) in unearned revenue	(8,384)
Increase (decrease) in compensated absences	526
Increase (decrease) in deferred inflows related to pensions	<u>6,114</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ (19,261)</u></u>

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

East Carroll Parish Police Jury

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**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2021**

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East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The East Carroll Parish Police Jury (the Police Jury) is the governing authority for East Carroll Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by five jurors representing the various districts within the parish. The jurors serve four-year terms which expire December 2023.

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

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

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

The Governmental Accounting Standards Board (GASB) establishes criteria for determining the governmental reporting entity and component units that should be considered part of the East Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB standards have set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury and a financial benefit or burden is present.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

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

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
Sixth Judicial District Criminal Court (East Carroll Parish)	Blended	December 31	2 and 3
LSU Cooperative Extension Service	Blended	December 31	2 and 3
East Carroll Housing Development Corporation	Blended	December 31	1 and 3
Not included within the reporting entity:			
East Carroll Parish:			
Sheriff	Discrete	June 30	3
Assessor	Discrete	December 31	3
Clerk of Court	Discrete	June 30	3
Community Action Agency of East Carroll Parish	Discrete	December 31	2 and 3
Lakeshore Family Home, GP, LLC	Discrete	December 31	2 and 3

The Police Jury has chosen not to include the following component units in the basic financial statements: Sheriff, Assessor, Clerk of Court, and Community Action Agency of East Carroll Parish. Separate financial statements for each of these component units can be obtained by contacting the component unit.

The Police Jury is also responsible for appointing a majority of the members of the boards of the East Carroll Hospital Service District and the East Carroll Parish Housing Authority but the Police Jury's accountability for these organizations does not extend beyond making appointments so these entities should not be included in the financial reporting entity. The East Carroll Recreation District financial statements are not material to the financial statements of the Police Jury.

Additionally, it was determined that the East Carroll Parish Library is not a component unit of the East Carroll Parish Police Jury reporting entity because they do not have separate corporate powers that would distinguish it as being legally separate from the primary government, primarily due to the fact that East Carroll Parish Library does not have the right to buy, sell, lease, and mortgage property in its own name. Furthermore, it was determined that the East Carroll Parish Police Jury holds East Carroll Parish Library's corporate powers and that the East Carroll Parish Library financial statements should be included in the financial statements of the East Carroll Parish Police Jury as a special revenue fund.

East Carroll Housing Development Corporation (Corporation) is a legally separate entity, which is a not-for-profit corporation and has a December 31st year end. Per the Bylaws, the Board of Directors of the Corporation is the same individuals that serve as the East Carroll Parish Police Jury members. This provides the Police Jury with a voting majority of the governing body of the Corporation. Additionally, the Corporation imposes a financial benefit and burden on the Police Jury. Based on the above, the Corporation is considered to be a component unit of the Police Jury and should be included under blended presentation.

In 2018, Lakeshore Family Homes GP II, LLC (GP II) was created as a legally separate entity, which is a Louisiana limited liability company. The operating agreement for GP II lists East Carroll Housing Development Corporation as having 100% membership and the managing member. The Corporation has the power to bind and the power to impose its will on GP II as well as the Board of GP II is made up of the members of the Police Jury. Therefore, GP II is considered to be a component unit of the Police Jury and should be included under blended presentation. Based on the information provided by the Police Jury, there was no activity for the GP II as of and for the year ended December 31, 2022.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

In 2018, Lakeshore Family Homes GP, LLC was created as a legally separate entity, which is a Louisiana limited liability company. In the operating agreement for Lakeshore Family Homes GP, LLC, lists Lakeshore Family Homes GP II, LLC as having 51% membership; however, GP II is not the managing partner. The GP II has the power to bind and the power to impose its will on Lakeshore Family Homes GP, LLC. Therefore, Lakeshore Family Homes GP, LLC is considered to be a component unit of the Police Jury under discrete presentation.

B. FUNDS The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental Funds: The governmental funds are divided into separate "fund types." Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The major governmental funds of the Police Jury are described as follows:

General - The General fund is the general operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

Road Maintenance and Construction - This fund accounts for the maintenance of parish highways, streets, and bridges. Major means of financing are provided by a one percent sales tax and by ad valorem taxes.

Garbage District No. 1 - This fund accounts for parish garbage collection services. The main source of revenue is ad valorem tax and collection fees.

Library - This fund accounts for the operations of the parish library. The primary source of financing is provided by ad valorem taxes.

Drainage Maintenance - This fund accounts for the maintenance of the parish drainage system. Financing is provided by ad valorem taxes.

Coronavirus Local Fiscal Recovery - This fund accounts for a federal grant received to respond to the public health emergency, COVID-19 or its negative economic impacts, respond to workers performing essential work during the COVID-19 pandemic by providing premium pay to eligible workers, and to provide government services, to the extent COVID-19 caused a reduction in revenues collected in the most recent full fiscal year.

Proprietary Fund - The proprietary fund accounts for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The proprietary fund differs from a governmental fund in that its focus is on income measurement which, together with the maintenance of equity, is an important financial indicator.

Section 8 Voucher - This fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. The purpose is to assist low-income families in obtaining affordable housing.

East Carroll Housing Development - This fund accounts for the activity of the Police Jury's not-for-profit corporation, East Carroll Parish Development Corporation. This corporation was established to assist tax credit partnerships in providing affordable housing in East Carroll Parish.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflows/outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflows/outflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

Program revenues Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Allocation of indirect expenses The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets, current liabilities, and current inflows/outflows of resources are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

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

Sales taxes are susceptible to accrual.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

Interest income on time deposits is recognized when the time deposits have matured, and the interest is available.

Substantially all other revenues are recognized when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, fines, forfeitures, and court costs have been treated as susceptible to accrual.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term obligations, which are recognized when due.

Other Financing Sources (Uses) Sale of capital assets, increases in long-term debt, insurance recoveries, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

Proprietary Funds

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations, which is providing affordable housing. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. ENCUMBRANCES Outstanding encumbrances lapse at year end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. 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.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Police Jury reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Police Jury participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. An annual audit of LAMP is conducted by the Louisiana Legislative Auditor and can be obtained by writing: LAMP, Inc., 650 Poydras Street, Suite 2220, New Orleans, LA 70130 or at www.lamppool.com or at www.la.gov.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS) During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

I. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

J. CAPITAL ASSETS Capital assets exceeding \$1,000 are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their acquisition value at the date of donation. General and infrastructure assets (e.g., roads, bridges, and other assets that are immovable and of value only to the government) are capitalized and valued at historical cost or estimated historical cost. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

Straight line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Portable buildings	10 to 20 years
Office equipment	6 or 10 years
Furniture and fixtures	6 or 10 years
Construction equipment	4 to 10 years
Vehicles	4 or 9 years
Books, periodicals, and law books	10 years
Infrastructure:	
Airport hangars	40 years
Road surface	25 years
Bridges	40 to 50 years
Drainage	25 years

K. COMPENSATED ABSENCES All full-time employees of the Police Jury earn annual leave at rates varying from ten to 20 days per year, depending on length of service. Employees may accumulate and carry forward no more than five days of annual leave. All full-time permanent employees earn one sick day per month of continuous employment. Sick leave can be accumulated up to 30 days. Employees are not compensated for sick leave at termination or retirement.

Full-time employees of the East Carroll Parish Library earn from ten to 15 days of vacation leave, depending on their length of service and position with the library. Part-time employees earn six days of vacation leave each year. Vacation leave cannot be accumulated. All 12-month employees earn ten days of sick leave each year. Sick leave can be accumulated for up to 20 days. Part-time employees earn six days of sick leave each year. Sick leave lapses upon termination of employment.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

The Police Jury's recognition and measurement criterion for compensated absences follows:

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

The employees' right to receive compensation is attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

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

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

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

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

Employees are not compensated for sick leave at termination or retirement; therefore, sick leave is not accrued.

L. LIABILITIES For government-wide reporting, debt issuance costs, with the exception of any portion related to prepaid insurance costs, is recognized as an expense in the period incurred.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow or resources (expense/expenditure) until then. The Police Jury has one item, deferred outflows related to pensions that qualifies in this category and is reported only in the governmental activities.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. The Police Jury has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable* revenue, is reported only in the governmental funds balance sheet as unavailable property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Police Jury also has one item, deferred inflows related to pensions that qualifies in this category and is reported only in the governmental activities.

N. PENSION PLAN For purposes measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.

Imposed by law through constitutional provisions or enabling legislation. All of the Police Jury's restricted net position are restricted by enabling legislation except for net position restricted for housing assistance payments.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**East Carroll Parish Police Jury
Notes to the Financial Statements
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P. FUND BALANCES OF FUND FINANCIAL STATEMENTS Fund balance amounts are reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Police Jury's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Police Jury removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of resolutions passed at a Jury meeting committing the funds.

Assigned: Fund balance that is constrained by the Police Jury's intent to be used for specific purposes but is neither restricted nor committed. Intent should be expressed by the Jury or a committee of the Jury.

Unassigned: Fund balance that is the residual classification for the general fund or a deficit fund balance in other funds.

The Police Jury reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The Police Jury considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

Q. INTERFUND TRANSACTIONS Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

R. SALES TAXES The Police Jury has a one percent sales and use tax, which was originally passed by the voters on October 16, 1993, for a period of five years and has been subsequently renewed. The taxing period for the current renewal is effective from January 1, 2014 through December 31, 2023. The net proceeds of the tax (after necessary costs of collection) are to be used to construct, operate, and maintain parish public roads, drainage canals, and public bridges, with ten percent of the proceeds used exclusively for insurance premiums.

S. UNEARNED REVENUES Unearned revenues arise when resources are received by the Police Jury before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Police Jury has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and the revenue is recognized.

T. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**East Carroll Parish Police Jury
Notes to the Financial Statements
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NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds The following funds had actual expenditures which exceeded budgeted expenditures for the year ended December 31, 2022:

Fund	Final Budget	Actual	Variance
Library	\$ 388,068	\$ 388,071	\$ (3)
Drainage Maintenance	461,714	487,862	(26,148)

The negative budget variance is a result of expenditures exceeding the budget in the last month of the year.

B. Deficit Fund Balance The following fund had a deficit fund balance at December 31, 2022:

Fund	Deficit Amount
Criminal Court	\$ (31,775)

NOTE 3 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within East Carroll Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the East Carroll Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The East Carroll Parish sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Millage rates adopted	May 10, 2022
Tax bills mailed	November 2022
Due date	December 31, 2022
Lien date	January 1, 2023
Tax sale – 2021 delinquent property	April 20, 2022

Assessed values are established by the East Carroll Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed in 2020. Louisiana state law exempts the first \$75,000 of the assessed value of a taxpayer's primary residence from parish property taxes. For calendar year 2022, the total assessed value was \$60,705,395 and the homestead exemption was \$5,418,178 of the assessed value.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General fund, Road Maintenance and Construction special revenue fund, Drainage Maintenance special revenue fund, Garbage District No. 1 special revenue fund, Library special revenue fund, Rural Fire special revenue fund, LSU Cooperative Extension Service special revenue fund, Health Unit

**East Carroll Parish Police Jury
Notes to the Financial Statements
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special revenue fund, and the Fire Bond Debt Service fund. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property tax receivables are considered available because they are substantially collected within 60 days subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2022 property taxes to be collected occurs in December and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2022:

	<u>Maximum Allowed Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
General fund	6.60	6.60	Indefinite
Courthouse maintenance	2.53	2.53	2024
Roads and bridges	8.24	8.24	2022
Drainage maintenance	8.24	8.24	2022
Library and bookmobile	8.22	8.22	2024
Health unit	2.00	2.00	2027
Cooperative extension program	2.74	2.74	2024
District taxes:			
Rural fire protection	2.76	2.76	2028
Rural fire protection debt service	Variable	1.00	2034
Garbage collection and disposal	11.67	11.67	2025

NOTE 4 - DEPOSITS At December 31, 2022, the Police Jury had cash and cash equivalents (book balances) as follows:

Demand deposits (cash and cash equivalents per Statement A)	\$ 3,150,964
Demand deposits (cash and cash equivalents - restricted per Statement A)	15,174
Time deposits (reported as investments)	<u>112,746</u>
Total	<u>\$ 3,278,884</u>

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

Custodial Credit Risk-Deposits. At year end, the Police Jury had a bank balance of \$3,489,692 of which \$536,481 was covered by federal depository insurance and \$2,953,211 was secured by collateral held by the Police Jury's agent but not in the Police Jury's name. The Police Jury's policy does not address custodial credit risk.

Interest Rate Risk-Deposits. The Police Jury's policy does not address interest rate risk.

**East Carroll Parish Police Jury
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NOTE 5 - INVESTMENTS 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 process in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares (Level 2). The nonnegotiable certificate of deposit is measured at cost. At year end, the Police Jury investment balances were as follows:

<u>Type of investment</u>	<u>Carrying Amount</u>
	<u>Fair Value</u>
Certificate of deposit	\$ 112,746
LAMP	644,860
Total	<u>\$ 757,606</u>

LAMP is a LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Credit risk: Lamp is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

Foreign currency risk: Not applicable.

NOTE 6 - RECEIVABLES The following is a summary of receivables at December 31, 2022:

	<u>Ad Valorem</u>	<u>Other Taxes</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
General	\$ 402,618	\$ 8,393	\$ 17,837	\$ 17,786	\$ 446,634
Road Maintenance and Construction	363,370	58,400	14,506	-	436,276
Garbage District No. 1	429,096	-	1,869	37,088	468,053
Library	362,523	-	2,737	-	365,260
Drainage Maintenance	363,371	-	2,744	-	366,115
Nonmajor Governmental	347,279	-	1,108	11,840	360,227
Section 8 Voucher	-	-	2,434	-	2,434
Total	<u>\$ 2,268,257</u>	<u>\$ 66,793</u>	<u>\$ 43,235</u>	<u>\$ 66,714</u>	<u>\$ 2,444,999</u>

Historically, virtually all ad valorem tax receivables were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The Police Jury has established a \$4,475 allowance for doubtful accounts in the General fund's other receivable related to hanger rents. The remaining balances of accounts receivable are expected to be collected in full.

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NOTE 7 - CAPITAL ASSETS

The following schedule presents changes in capital assets for the Police Jury's governmental activities:

	<u>Balance</u> <u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Ending</u>
Governmental activities				
Nondepreciable capital assets:				
Land	\$ 274,665	\$ -	\$ -	\$ 274,665
Airport land	101,000	-	-	101,000
Infrastructure: Road right-of-way	558,234	-	-	558,234
Construction in progress	<u>6,250</u>	<u>22,796</u>	<u>-</u>	<u>29,046</u>
Total non-depreciable capital assets	<u>940,149</u>	<u>22,796</u>	<u>-</u>	<u>962,945</u>
Depreciable capital assets:				
Buildings	2,780,483	-	-	2,780,483
Furniture & office equipment	503,558	27,665	70,214	461,009
Construction equipment	3,317,656	8,090	-	3,325,746
Vehicles	4,151,702	25,000	-	4,176,702
Infrastructure:				
Airport	1,155,666	-	-	1,155,666
Road surface	9,140,845	-	-	9,140,845
Bridges	1,759,091	-	-	1,759,091
Drainage	<u>1,776,023</u>	<u>-</u>	<u>-</u>	<u>1,776,023</u>
Total depreciable capital assets	<u>24,585,024</u>	<u>60,755</u>	<u>70,214</u>	<u>24,575,565</u>
Less accumulated depreciation:				
Buildings	2,007,714	52,033	-	2,059,747
Furniture & equipment	436,791	24,618	70,214	391,195
Construction equipment	1,877,047	245,779	-	2,122,826
Vehicles	3,136,077	131,371	-	3,267,448
Infrastructure:				
Airport	456,173	28,267	-	484,440
Road surface	8,717,693	35,594	-	8,753,287
Bridges	1,379,081	25,496	-	1,404,577
Drainage	<u>212,026</u>	<u>71,041</u>	<u>-</u>	<u>283,067</u>
Total accumulated depreciation	<u>18,222,602</u>	<u>614,199</u>	<u>70,214</u>	<u>18,766,587</u>
Total depreciable capital assets, net	<u>6,362,422</u>	<u>(553,444)</u>	<u>-</u>	<u>5,808,978</u>
Governmental activities				
Capital assets, net	<u>\$ 7,302,571</u>	<u>\$ (530,648)</u>	<u>\$ -</u>	<u>\$ 6,771,923</u>

Depreciation expense was charged to governmental activities for the Police Jury as follows:

Elections	\$ 2,026
Finance and administration	3,488
Other general government	6,405
Public Safety	91,868
Public Works	451,720
Health & Welfare	27,156
Culture & Recreation	3,269
Transportation	<u>28,267</u>
Total	<u>\$ 614,199</u>

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The following schedule presents changes in capital assets for the business-type activities.

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Business-type activities				
Depreciable capital assets				
Furniture & office equipment	\$ 8,219	\$ -	\$ -	\$ 8,219
Vehicles	28,873	-	-	28,873
Total	<u>37,092</u>	<u>-</u>	<u>-</u>	<u>37,092</u>
Less accumulated depreciation				
Furniture & equipment	4,657	1,018	-	5,675
Vehicles	25,572	3,301	-	28,873
Total	<u>30,229</u>	<u>4,319</u>	<u>-</u>	<u>34,548</u>
Business-type activities capital assets, net	<u>\$ 6,863</u>	<u>\$ (4,319)</u>	<u>\$ -</u>	<u>\$ 2,544</u>

NOTE 8 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund receivable/payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Library	\$ 18,194
General	Nonmajor Governmental	3,491
Road Maintenance and Construction	General	364,525
Road Maintenance and Construction	Drainage Maintenance	217,275
Garbage District No. 1	General	10,010
Drainage Maintenance	General	3,979
Nonmajor Governmental	General	33,222
General	Section 8 Voucher	2,706
East Carroll Housing Development	General	25,000
Total		<u>\$ 678,402</u>

Interfund balances result from fund reimbursements not made before year end.

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Nonmajor Governmental	Coronavirus Local Fiscal Recovery	\$ 200,000

The Coronavirus Local Fiscal Recovery fund transferred funds to the Nonmajor Governmental fund to provide funding for the Criminal Court's shortfall.

NOTE 9 - PENSION PLAN The Police Jury is a participating employer in a statewide, public employee retirement system, the Parochial Employees' Retirement System of Louisiana (System). The System has a separate board of trustees and administers a cost-sharing, multiple-employer defined benefit pension plan. The System is composed of two plans, Plan A and Plan B, with separate asset and benefit provisions. All employees of the Police Jury are members of Plan A. The authority to establish and amend the benefit terms of the System was granted to the Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. The System issues a public report that includes financial statements and required supplementary information. Copies of the report for the System may be obtained at www.persla.org.

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General Information about the Pension Plan

Plan Descriptions/Benefits Provided

The System administers a plan to provide retirement, disability, and survivor's 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 elect to become members of the System. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1901 and vary depending on the member's hire date.

A member who joined the System prior to January 1, 2007 is eligible for normal retirement if the member has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 10 years of creditable service and is at least age 60, or 7 years of creditable service and is at least age 65. A member who joined the System on or after January 1, 2007 is eligible for normal retirement if the member has at least 30 years of creditable service and is at least age 55, 10 years of creditable service and is at least age 62, or 7 years of creditable service and is at least age 67.

Generally, the monthly amount of the retirement allowance shall consist of an amount equal to 3% of the member's final average compensation multiplied by the member's years of creditable service. However, under certain conditions as outlined in the statutes the benefits are limited to specified amounts.

A member hired prior to January 1, 2007 is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the State Medical Disability Board. A member who joins the System on or after January 1, 2007, must have at least 7 years of service to qualify for disability benefits.

Upon the death of a member with five or more years of creditable service who is not eligible for retirement, the plan provides benefits for surviving spouses and minor children, as outlined in the statutes.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement, any member who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for 3 years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at the participant's option, a lump sum from the account equal to the payments into the account, a true annuity based upon the account balance in that fund or roll over the fund to an individual retirement account.

Cost of Living Adjustments

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55. These ad hoc COLAs are not considered to be substantively automatic.

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Contributions

Contributions for all members are established by statute at 9.5% of compensation and are deducted from the member's salary and remitted by the participating employer. According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022, the actuarially determined contribution rate was 7.10% of member's compensation. However, the actual rate for fiscal year ending December 31, 2022 was 11.50% or \$154,242. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities. The Police Jury's proportionate share of non-employer contributions was \$17,507 and was recognized as revenue by the Police Jury.

Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Police Jury reported a net pension liability (asset) of (\$996,926), (\$970,202) for governmental activities and (\$26,724) for business-type activities, for its proportionate share of the net pension liability (asset) (NPL). The NPL will be liquidated through contributions to the pension plan from the governmental fund in which the related salary was paid. The NPL was measured as of December 31, 2021, and the total pension liability (assets) used to calculate the NPL were determined by actuarial valuations as of that date. The allocation method used in determining each employer's proportion was based on each employer's contributions to the plan during the fiscal year December 31, 2021 as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2021. As of December 31, 2021, the most recent measurement date, the Police Jury's proportions and the changes in proportion from the prior measurement date was 0.211642%, or an increase of 0.026831%.

For the year ended December 31, 2022, the Police Jury recognized a total pension benefit of \$179,395, \$174,586 for governmental activities and \$4,809 for business-type activities. The Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 58,618	\$ 70,317	\$ 1,615	\$ 1,937	\$ 60,233	\$ 72,254
Changes in assumptions	50,598	-	1,394	-	51,992	-
Net difference between projected and actual earnings on pension plan investments	-	839,209	-	23,115	-	862,324
Changes in proportion and differences between employer contributions and proportionate share of contributions	21,559	35,242	593	971	22,152	36,213
Employer contributions subsequent to the measurement date	150,107	-	4,135	-	154,242	-
Total	<u>\$ 280,882</u>	<u>\$ 944,768</u>	<u>\$ 7,737</u>	<u>\$ 26,023</u>	<u>\$ 288,619</u>	<u>\$ 970,791</u>

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Deferred outflows of resources related to pensions resulting from the Police Jury’s contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Governmental Activities	Business-Type Activities	Total
2022	\$ (167,597)	\$ (4,616)	\$ (172,213)
2022	(336,341)	(9,264)	(345,605)
2023	(220,104)	(6,063)	(226,167)
2023	(89,951)	(2,478)	(92,429)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2021 are as follows:

Valuation Date	December 31, 2021
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.40%, net of investment expense, including inflation
Inflation Rate	2.30%
Mortality	For annuitant and beneficiary mortality, the Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees was used. For disabled annuitants, the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees was used. These mortality tables were multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.
Termination, Disability, Retirement	Projected based on a 5 year (January 1, 2013 - December 31, 2017) experience study
Projected Salary Increases	4.75% (2.45% merit / 2.30% inflation)
Cost of Living Adjustments	Not substantively automatic

Discount Rate: The discount rate used to measure the total pension liability was 6.40%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, 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 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

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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 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	33%	0.85%
Equity	51%	3.23%
Alternatives	14%	0.71%
Real assets	2%	0.11%
Total	100%	4.90%
Inflation		2.10%
Expected arithmetic nominal return		7.00%

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the Police Jury's proportionate share of the NPL using the current discount rate as well as what the Police Jury's proportionate share of the NPL 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:

1.0% Decrease	Current Discount Rate	1.0% Increase
5.40%	6.40%	7.40%
\$ 177,733	\$ (996,926)	\$ (1,980,917)

Pension plan fiduciary net position. Detailed information about fiduciary net position is available in the separately issued financial report referenced above.

Payables to the Pension Plan. At December 31, 2022, the Police Jury did not have any payables for employee and employer legally required contributions.

NOTE 10 - ACCOUNTS, SALARIES, AND OTHER PAYABLES Payables at December 31, 2022 are as follows:

	Accounts Payable	Salaries Payable	Total
General	\$ 29,762	\$ -	\$ 29,762
Road Maintenance and Construction	12,526	1,101	13,627
Garbage District No. 1	34,540	4,404	38,944
Library	1,564	-	1,564
Drainage Maintenance	1,052	-	1,052
Coronavirus Local Fiscal Recovery	17,917	-	17,917
Nonmajor Governmental	56,182	500	56,682
Section 8 Voucher	153	-	153
Total	\$ 153,696	\$ 6,005	\$ 159,701

East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022

NOTE 11 - LONG-TERM DEBT The following is a summary of the long-term debt transactions and balances for the year ended December 31, 2022:

Governmental Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One year</u>
Governmental Activities:					
Direct Placement: Bonds payable:					
General obligation debt	\$ 450,000	\$ -	\$ -	\$ 450,000	\$ 29,000
Other Debt:					
Notes payable	627,374	-	148,334	479,040	115,670
Compensated absences	<u>6,411</u>	<u>47,768</u>	<u>41,287</u>	<u>12,892</u>	<u>12,892</u>
Total Governmental Activities					
Long-term debt	<u>\$ 1,083,785</u>	<u>\$ 47,768</u>	<u>\$ 189,621</u>	<u>\$ 941,932</u>	<u>\$ 157,562</u>

Payments on the general obligation bonds payable that pertain to the Police Jury's governmental activities are made by the Debt Service fund. The compensated absences liability attributable to the governmental activities will be liquidated by the fund in which the salary is paid. Notes payables were paid from the Road Maintenance and Construction fund and the Garbage District No. 1 fund.

Information about the changes in the net pension liability (asset) is contained in Note 9.

The general obligation bond payable at December 31, 2022 consists of the following issue:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Series 2020	<u>\$450,000</u>	1.75% - 3.50%	1-Mar-35	<u>\$ 101,220</u>	<u>\$450,000</u>

All principal and interest requirements on the general obligation debt are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. In accordance with Louisiana Revised Statute 39:562, the Police Jury and its component units are legally restricted from incurring long-term bonded debt in excess of ten percent of the assessed value of taxable property in the parish or district. At December 31, 2022 the statutory limit is \$6,070,539 and the debt service fund balance is \$120,534.

Notes payable at December 31, 2022 consists of the following:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
2018	\$ 136,395	4.651%	March 20, 2023	\$ 46	\$ 6,487
2018	155,533	4.875%	July 5, 2023	329	20,154
2019	235,903	4.450%	March 29, 2025	44,941	356,496
2019	500,000	3.550%	September 16, 2029	5,059	95,903
				<u>\$ 50,375</u>	<u>\$ 479,040</u>

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

The bonds and notes payable are due as follows:

	<u>BONDS PAYABLE</u>		<u>NOTES PAYABLE</u>		<u>TOTAL</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 29,000	\$ 13,405	\$ 115,670	\$ 15,691	\$ 144,670	\$ 29,096
2024	30,000	12,618	92,628	11,716	122,628	24,334
2025	31,000	11,795	62,217	8,473	93,217	20,268
2026	31,000	10,955	52,925	6,547	83,925	17,502
2027	32,000	10,097	54,835	4,637	86,835	14,734
2028-2032	176,000	35,893	100,765	3,311	276,765	39,204
2033-2035	121,000	6,457	-	-	121,000	6,457
	<u>\$ 450,000</u>	<u>\$ 101,220</u>	<u>\$ 479,040</u>	<u>\$ 50,375</u>	<u>\$ 929,040</u>	<u>\$ 151,595</u>

Business-Type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One year</u>
Business-type Activities:					
Other debt:					
Compensated absences	\$ 526	\$ 2,805	\$ 2,279	\$ 1,052	\$ 1,052
Total Business-type Activities					
Long-term debt	\$ 526	\$ 2,805	\$ 2,279	\$ 1,052	\$ 1,052

NOTE 12 – COMPENSATED ABSENCES At December 31, 2022, employees of the Police Jury have accumulated and vested \$13,944 of employee leave benefits, which includes \$199 of employee related benefits. These benefits were computed in accordance with GASB Codification Section C60.

NOTE 13 - LITIGATION, CLAIMS AND COMMITMENTS

Litigation The Police Jury is a defendant in ongoing litigation. Management and legal counsel for the Policy Jury believe that the potential claim against the Police Jury not covered by insurance would not materially affect the Police Jury’s financial position.

Grant Disallowances The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grant.

NOTE 14 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by commercial insurance through the Louisianan Rural Parish Insurance Cooperative, a self-insurance fund. This self-insurance program is a public entity risk pool which was approved by the State of Louisiana Insurance Commission. The cooperative operates like any other commercial insurance company. Three insurance companies currently share the excess coverage insurance. The first \$100,000 of all coverage is self-funded by the combined contributions of the members. No additional assessments can be made against the Police Jury. The Police Jury is responsible only for the payment of premiums. Settlement amounts have not exceeded insurance coverage for any of the past three years.

**East Carroll Parish Police Jury
Notes to the Financial Statements
December 31, 2022**

NOTE 15 - FUND BALANCE CLASSIFICATION DETAILS

	General	Road Maintenance and Construction	Garbage District No. 1	Library	Drainage Maintenance	Nonmajor Governmental	Total
Nonspendable:							
Prepays	\$ 22,300	\$ 24,510	\$ 20,588	\$ 1,961	\$ 21,569	\$ 7,353	\$ 98,281
Restricted for:							
Road Maintenance and Construction	-	1,494,655	-	-	-	-	1,494,655
Garbage	-	-	617,948	-	-	-	617,948
Library	-	-	-	985,414	-	-	985,414
Drainage Maintenance	-	-	-	-	223,534	-	223,534
Debt Service	-	-	-	-	-	120,534	120,534
Rural Fire Protection	-	-	-	-	-	620,066	620,066
LSU Cooperative Extension	-	-	-	-	-	359,912	359,912
Health Unit	-	-	-	-	-	628,858	628,858
Unassigned	598,934	-	-	-	-	(31,775)	567,159
Total	<u>\$ 621,234</u>	<u>\$ 1,519,165</u>	<u>\$ 638,536</u>	<u>\$ 987,375</u>	<u>\$ 245,103</u>	<u>\$ 1,704,948</u>	<u>\$ 5,716,361</u>

NOTE 16 - SUBSEQUENT EVENTS On January 30, 2023, the Police Jury received its second installment of \$666,335 of the Coronavirus State and Local Fiscal Recovery Fund grant.

NOTE 17 - NEW GASB STANDARD In the current fiscal year the Police Jury implemented GASB Statement No. 87 –Leases. The principal objective of this statement is to improve accounting and financial reporting for leases by governments. It increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. The implementation of the standards had no effect on the Police Jury’s financial statements or notes to the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

East Carroll Parish Police Jury

**Schedule of the Police Jury's Proportionate Share of the Net Pension Liability (Asset)
Last Eight Fiscal Years**

Exhibit 1-1

<u>Fiscal Year</u>	<u>Police Jury's Proportion of the Net Pension Liability</u>	<u>Police Jury's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Police Jury's Covered Payroll</u>	<u>Police Jury's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	0.216628%	\$ 60,666	\$ 1,080,876	5.6%	99.15%
2016	0.209121%	550,467	1,180,476	46.6%	92.23%
2017	0.207826%	428,020	1,211,777	35.3%	94.15%
2018	0.201541%	(149,593)	1,198,208	-12.5%	101.98%
2019	0.217903%	967,132	1,210,391	79.9%	88.86%
2020	0.209337%	9,854	1,286,870	0.8%	99.89%
2021	0.184811%	(324,050)	1,308,302	-24.8%	104.00%
2022	0.211642%	(996,926)	1,285,019	-77.6%	110.46%

Notes:

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

**Schedule of the Police Jury's Contributions to the Pension Plan
Last Eight Fiscal Years**

Exhibit 1-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Police Jury's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$ 171,169	\$ 171,169	\$ -	\$ 1,180,476	14.50%
2016	157,531	157,531	-	1,211,777	13.00%
2017	149,776	149,776	-	1,198,208	12.50%
2018	139,195	139,195	-	1,210,391	11.50%
2019	147,990	147,990	-	1,286,870	11.50%
2020	160,267	160,267	-	1,308,302	12.25%
2021	157,415	157,415	-	1,285,019	12.25%
2022	154,242	154,242	-	1,341,233	11.50%

Notes:

The amounts presented were determined as of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

East Carroll Parish Police Jury

Notes to Required Supplementary Information for Pensions

Changes in Benefit Terms A 2.5% COLA effective January 1, 2015, provided by State statutes. This COLA is reflected in amounts reported after 2015.

Change in Assumptions: The following is a detail description of the changes in assumptions:

Report Date	Valuation Date	Investment Rate of Return	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31,							
2015	2014	7.25%	3.00%	RP-2000 Healthy Annuitant Mortality Table set back 1 year for males and RP-2000 Combined Healthy Female Table for females	RP-2000 Employee Mortality Table set back 1 year for males and females	RP-2000 Disabled Lives Mortality Table	5.75%
2016 & 2017	2015 & 2016	7.00%	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables set forward 2 years for males and set forward 1 year for females projected to 2031 using Scale AA	RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
2018	2017	6.75%	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables set forward 2 years for males and set forward 1 year for females projected to 2031 using Scale AA	RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
2019 & 2020	2018 & 2019	6.50%	2.40%	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	4.75%
2021 & 2022	2020 & 2021	6.40%	2.30%	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	4.75%

See independent auditor's report.

East Carroll Parish Police Jury

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets

GENERAL This accounts for all activities of the Police Jury except those that are accounted for in other funds.

ROAD MAINTENANCE AND CONSTRUCTION This fund accounts for the maintenance of parish highways, streets, and bridges. Major means of financing are provided by a one percent sales tax and by ad valorem taxes.

GARBAGE DISTRICT NO. 1 This fund accounts for parish garbage collection services. The main source of revenue is ad valorem tax and collection fees.

LIBRARY This accounts for the operations of the parish library. The primary source of financing is provided by ad valorem taxes.

DRAINAGE MAINTENANCE This accounts for the maintenance of the parish drainage system. Financing is provided by ad valorem taxes.

EAST CARROLL PARISH POLICE JURY

GENERAL

**Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 2-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 218,730	\$ 329,743	\$ 329,743	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	411,219	464,719	463,526	(1,193)
Sales and use	60,000	83,500	82,611	(889)
Other taxes	29,254	10,654	14,234	3,580
Licenses and permits	135,556	165,766	165,764	(2)
Fees, charges, and commissions for services	192,701	192,776	192,776	-
Use of money and property	25,597	30,851	22,827	(8,024)
Other revenues	114,150	33,860	33,124	(736)
Intergovernmental revenues:				
State sources:				
State revenue sharing	30,477	12,614	5,254	(7,360)
Other	337,400	71,520	78,497	6,977
Federal sources - federal grants	75,584	70,884	70,751	(133)
Amounts available for appropriations	<u>1,630,668</u>	<u>1,466,887</u>	<u>1,459,107</u>	<u>(7,780)</u>
Charges to appropriations (outflows)				
Current:				
General government:				
Legislative	110,984	110,984	107,786	3,198
Judicial	199,473	167,830	165,910	1,920
Elections	31,459	42,695	42,694	1
Finance and administrative	225,177	239,815	227,626	12,189
Other general government	389,710	424,872	438,115	(13,243)
Public safety	252,297	226,701	226,125	576
Public works	245,500	37,090	38,090	(1,000)
Health and welfare	9,500	9,500	9,456	44
Culture and recreation	3,200	1,500	1,500	-
Economic development and assistance	6,325	-	-	-
Transportation	3,925	2,951	2,951	-
Capital outlay	-	12,500	12,500	-
Transfers out	50,000	145,500	-	145,500
Total charges to appropriations	<u>1,527,550</u>	<u>1,421,938</u>	<u>1,272,753</u>	<u>149,185</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 103,118</u>	<u>\$ 44,949</u>	<u>\$ 186,354</u>	<u>\$ 141,405</u>

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

**ROAD MAINTENANCE AND CONSTRUCTION
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 2-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE
				(NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 952,054	\$ 1,141,517	\$ 1,141,517	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	368,872	405,133	417,626	12,493
Sales and use	560,000	686,605	743,501	56,896
Use of money and property	5,848	4,281	4,055	(226)
Other revenues	750	22,401	22,401	-
Intergovernmental revenues:				
State sources:				
Parish transportation funds	161,000	-	135,475	135,475
State revenue sharing	-	-	4,744	4,744
Amounts available for appropriations	<u>2,048,524</u>	<u>2,259,937</u>	<u>2,469,319</u>	<u>209,382</u>
Charges to appropriations (outflows)				
Current:				
Public works	<u>1,333,604</u>	<u>1,412,225</u>	<u>1,390,066</u>	<u>22,159</u>
Total charges to appropriations	<u>1,333,604</u>	<u>1,412,225</u>	<u>1,390,066</u>	<u>22,159</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 714,920</u>	<u>\$ 847,712</u>	<u>\$ 1,079,253</u>	<u>\$ 231,541</u>

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

**GARBAGE DISTRICT NO. 1
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 2-3

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET</u>
			<u>(BUDGETARY BASIS)</u>	<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 252,852	\$ 196,757	\$ 196,757	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	414,780	477,810	477,810	-
Fees, charges, and commissions for services	144,645	144,421	160,366	15,945
Use of money and property	4,024	2,114	2,457	343
Other revenues	-	13,062	12,994	(68)
Intergovernmental revenues:				
State sources:				
State revenue sharing	-	-	3,298	3,298
Amounts available for appropriations	<u>816,301</u>	<u>834,164</u>	<u>853,682</u>	<u>19,518</u>
Charges to appropriations (outflows)				
Current:				
Public works	<u>617,946</u>	<u>624,497</u>	<u>621,808</u>	<u>2,689</u>
Total charges to appropriations	<u>617,946</u>	<u>624,497</u>	<u>621,808</u>	<u>2,689</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 198,355</u>	<u>\$ 209,667</u>	<u>\$ 231,874</u>	<u>\$ 22,207</u>

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

LIBRARY

**Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 2-4

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET</u>
			<u>(BUDGETARY BASIS)</u>	<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 593,733	\$ 559,368	\$ 559,368	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	367,967	416,604	416,604	-
Fees, charges, and commissions for services	11,251	8,803	8,807	4
Use of money and property	2,490	2,552	2,552	-
Other revenues	23,190	25,299	25,299	-
Intergovernmental revenues:				
State sources:				
State revenue sharing	7,442	4,730	4,730	-
Amounts available for appropriations	<u>1,006,073</u>	<u>1,017,356</u>	<u>1,017,360</u>	<u>4</u>
Charges to appropriations (outflows)				
Current:				
Culture and recreation	<u>377,828</u>	<u>388,068</u>	<u>388,071</u>	<u>(3)</u>
Total charges to appropriations	<u>377,828</u>	<u>388,068</u>	<u>388,071</u>	<u>(3)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 628,245</u>	<u>\$ 629,288</u>	<u>\$ 629,289</u>	<u>\$ 1</u>

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

**DRAINAGE MAINTENANCE
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 2-5

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET</u>
			<u>(BUDGETARY BASIS)</u>	<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 122,512	\$ (103,567)	\$ (103,567)	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	368,872	405,172	417,626	12,454
Fees, charges, and commissions for services	2,000	2,680	2,677	(3)
Use of money and property	2,215	1,256	1,163	(93)
Intergovernmental revenues:				
State sources:				
State revenue sharing	-	-	4,744	4,744
Amounts available for appropriations	<u>495,599</u>	<u>336,821</u>	<u>353,923</u>	<u>17,102</u>
Charges to appropriations (outflows)				
Current:				
Public works	358,017	457,664	483,817	(26,153)
Capital outlay	<u>10,000</u>	<u>4,050</u>	<u>4,045</u>	<u>5</u>
Total charges to appropriations	<u>368,017</u>	<u>461,714</u>	<u>487,862</u>	<u>(26,148)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 127,582</u>	<u>\$ (124,893)</u>	<u>\$ (133,939)</u>	<u>\$ (9,046)</u>

See independent auditor's report.

East Carroll Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2022**

A. BUDGETS

General Budget Policies Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

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

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. Formal budgetary integration is employed as a management control device.

For the year ended December 31, 2022, cash basis budgets were adopted for the General fund and all special revenue funds, except the Criminal Court and the Coronavirus Local Fiscal Recovery special revenue funds, which are exempt from the requirements per Louisiana Revised Statutes 39:1301-1314 (Local Government Budget Act).

Encumbrances Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Jury. Legally, the Jury must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Jury to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

B. UNFAVORABLE BUDGET VARIANCE

The following funds had actual appropriations exceed budgeted appropriations:

<u>Fund</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Library	\$ 388,068	\$ 388,071	\$ (3)
Drainage Maintenance	461,714	487,862	(26,148)

The negative budget variance is a result of expenditures exceeding the budget in the last month of the year.

East Carroll Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2022**

C. BUDGET TO GAAP RECONCILIATION – EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	<u>General</u>	<u>Road Maintenance and Construction</u>	<u>Garbage District No. 1</u>	<u>Library</u>	<u>Drainage Maintenance</u>
<u>Sources/inflows of resources:</u>					
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 1,459,107	\$ 2,469,319	\$ 853,682	\$ 1,017,360	\$ 353,923
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	(329,743)	(1,141,517)	(196,757)	(559,368)	103,567
Adjustments for conversion from cash basis to modified accrual for financial reporting purposes	<u>(42,326)</u>	<u>29,395</u>	<u>46,568</u>	<u>77,327</u>	<u>41,198</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 1,087,038</u>	<u>\$ 1,357,197</u>	<u>\$ 703,493</u>	<u>\$ 535,319</u>	<u>\$ 498,688</u>
<u>Uses/Outflows of resources:</u>					
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 1,272,753	\$ 1,390,066	\$ 621,808	\$ 388,071	\$ 487,862
Adjustments for conversion from cash basis to modified accrual for financial reporting purposes	<u>(34,429)</u>	<u>6,591</u>	<u>26,929</u>	<u>5,304</u>	<u>975</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 1,238,324</u>	<u>\$ 1,396,657</u>	<u>\$ 648,737</u>	<u>\$ 393,375</u>	<u>\$ 488,837</u>

See independent auditor's report.

East Carroll Parish Police Jury

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SUPPLEMENTARY INFORMATION

East Carroll Parish Police Jury

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**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

EAST CARROLL PARISH POLICE JURY

**NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
December 31, 2022**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>FIRE BOND DEBT SERVICE</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 1,178,550	\$ 84,511	\$ 1,263,061
Investments	107,752	-	107,752
Receivables	323,457	36,770	360,227
Interfund receivables	33,222	-	33,222
Prepaid items	7,353	-	7,353
	<u>1,650,334</u>	<u>121,281</u>	<u>1,771,615</u>
TOTAL ASSETS			
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other payables	56,682	-	56,682
Interfund payables	3,310	181	3,491
	<u>59,992</u>	<u>181</u>	<u>60,173</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	5,928	566	6,494
	<u>5,928</u>	<u>566</u>	<u>6,494</u>
Fund Balances:			
Nonspendable	7,353	-	7,353
Restricted	1,608,836	120,534	1,729,370
Unrestricted	(31,775)	-	(31,775)
	<u>1,584,414</u>	<u>120,534</u>	<u>1,704,948</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 1,650,334</u>	<u>\$ 121,281</u>	<u>\$ 1,771,615</u>

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended December 31, 2022**

Exhibit 4

	SPECIAL REVENUE	FIRE BOND DEBT SERVICE	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 385,932	\$ 44,775	\$ 430,707
Fines and forfeitures	220,180	-	220,180
Use of money and property	3,254	99	3,353
Other revenues	1,845	-	1,845
Intergovernmental revenues:			
State sources:			
State revenue sharing	3,038	-	3,038
Other	30,041	-	30,041
Total Revenues	644,290	44,874	689,164
EXPENDITURES			
Current:			
General government:			
Judicial	404,544	-	404,544
Finance and administrative	127,014	1,505	128,519
Public Safety	88,536	-	88,536
Health and welfare	114,035	-	114,035
Debt service:			
Interest and bank charges	-	13,790	13,790
Total Expenditures	734,129	15,295	749,424
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(89,839)	29,579	(60,260)
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	-	200,000
Net Change in Fund Balances	110,161	29,579	139,740
FUND BALANCES - BEGINNING	1,474,253	90,955	1,565,208
FUND BALANCES - ENDING	\$ 1,584,414	\$ 120,534	\$ 1,704,948

See independent auditor's report.

East Carroll Parish Police Jury

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East Carroll Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

RURAL FIRE PROTECTION This fund accounts for the revenues provided by ad valorem taxes and State grants which are to be used in providing fire protection to the citizens of East Carroll Parish.

LSU COOPERATIVE EXTENSION This fund accounts for the LSU Cooperative Extension program which sponsors 4-H events, provides literature and information to local farmers, and provides educational seminars. Financing is provided by ad valorem taxes.

HEALTH UNIT This fund accounts for the parish health center. Financing is provided by ad valorem taxes.

CRIMINAL COURT This fund accounts for the activities of the parish court. The main source of revenue is fines and forfeitures.

EAST CARROLL PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 December 31, 2022

Exhibit 5

	RURAL FIRE PROTECTION	LSU COOPERATIVE EXTENSION	HEALTH UNIT	CRIMINAL COURT	TOTAL
ASSETS					
Cash and cash equivalents	\$ 413,035	\$ 243,137	\$ 515,787	\$ 6,591	\$ 1,178,550
Investments	76,581	-	31,171	-	107,752
Receivables	101,925	120,830	88,862	11,840	323,457
Interfund receivables	31,676	-	-	1,546	33,222
Prepaid items	5,882	-	1,471	-	7,353
TOTAL ASSETS	629,099	363,967	637,291	19,977	1,650,334
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	1,589	-	3,341	51,752	56,682
Interfund payables	-	1,531	1,779	-	3,310
Total Liabilities	1,589	1,531	5,120	51,752	59,992
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	1,562	2,524	1,842	-	5,928
Total Deferred inflow of resources	1,562	2,524	1,842	-	5,928
Fund Balances:					
Nonspendable	5,882	-	1,471	-	7,353
Restricted	620,066	359,912	628,858	-	1,608,836
Unrestricted	-	-	-	(31,775)	(31,775)
Total Fund Balance	625,948	359,912	630,329	(31,775)	1,584,414
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 629,099	\$ 363,967	\$ 637,291	\$ 19,977	\$ 1,650,334

See independent auditor's report.

EAST CARROLL PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2022

Exhibit 6

	<u>RURAL FIRE PROTECTION</u>	<u>LSU COOPERATIVE EXTENSION</u>	<u>HEALTH UNIT</u>	<u>CRIMINAL COURT</u>	<u>TOTAL</u>
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 123,577	\$ 151,657	\$ 110,698	\$ -	\$ 385,932
Fines and forfeitures	-	-	-	220,180	220,180
Use of money and property	1,793	290	1,171	-	3,254
Other revenues	526	-	647	672	1,845
Intergovernmental revenues:					
State sources:					
State revenue sharing	1,221	-	1,817	-	3,038
Other	30,041	-	-	-	30,041
Total Revenues	<u>157,158</u>	<u>151,947</u>	<u>114,333</u>	<u>220,852</u>	<u>644,290</u>
EXPENDITURES					
Current:					
General government:					
Judicial	-	-	-	404,544	404,544
Finance and administrative	-	127,014	-	-	127,014
Public Safety	88,536	-	-	-	88,536
Health and welfare	-	-	114,035	-	114,035
Total Expenditures	<u>88,536</u>	<u>127,014</u>	<u>114,035</u>	<u>404,544</u>	<u>734,129</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	68,622	24,933	298	(183,692)	(89,839)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	200,000	200,000
Net Change in Fund Balances	68,622	24,933	298	16,308	110,161
FUND BALANCES - BEGINNING	<u>557,326</u>	<u>334,979</u>	<u>630,031</u>	<u>(48,083)</u>	<u>1,474,253</u>
FUND BALANCES - ENDING	<u>\$ 625,948</u>	<u>\$ 359,912</u>	<u>\$ 630,329</u>	<u>\$ (31,775)</u>	<u>\$ 1,584,414</u>

See independent auditor's report.

East Carroll Parish Police Jury

GENERAL

Exhibit 7

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2022**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method, the president receives \$1,800 per month and the other jurors receive \$1,600 per month.

Kendall L. Thompson, President	\$	21,600
Kofi Darden-Hawkins, Vice President		19,200
Roger O. Clement		19,200
Randy E. Walters		19,200
Loyd Whaley		19,200
Total	\$	<u>98,400</u>

East Carroll Parish Police Jury

GENERAL

Exhibit 8

**Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2022**

Natasha Davis, Secretary Treasurer

Purpose	Amount
Salary	\$ 59,700
Benefits-insurance	9,019
Benefits-retirement	6,865
Benefits-medicare	866
Per diem	850
Registration fees	800
Conference travel	1,273
	<u>\$ 79,373</u>

East Carroll Parish Police Jury

GENERAL

Exhibit 9

**Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

Cash Basis Presentation	First Six Month Period Ended 6/30/2022	Second Six Month Period Ended 12/31/2022
Receipts From:		
East Carroll Parish Sheriff, Criminal Court Costs/Fees	\$ 21,438	\$ 35,112
East Carroll Parish Sheriff, Criminal Court Fines	94,145	52,524
East Carroll Parish Sheriff, Bond Fees	3,807	1,733
Total Receipts:	<u>\$ 119,390</u>	<u>\$ 89,369</u>

East Carroll Parish Police Jury (LA195)
Lake Providence, LA
Program Balance Sheet Summary
14.871 Housing Choice Vouchers

Exhibit 10

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	Total
111 Cash - Unrestricted	\$ 90,246	\$ 90,246
113 Cash - Other Restricted	15,174	15,174
100 Total Cash	105,420	105,420
122 Accounts Receivable - HUD Other Projects	2,434	2,434
120 Total Receivables, Net of Allowances for Doubtful Accounts	2,434	2,434
142 Prepaid Expenses and Other Assets	1,471	1,471
150 Total Current Assets	109,325	109,325
164 Furniture, Equipment & Machinery - Administration	37,092	37,092
166 Accumulated Depreciation	(34,548)	(34,548)
160 Total Capital Assets, Net of Accumulated Depreciation	2,544	2,544
174 Other Assets	26,724	26,724
180 Total Non-Current Assets	29,268	29,268
200 Deferred Outflow of Resources	7,737	7,737
290 Total Assets and Deferred Outflow of Resources	146,330	146,330
311 Bank Overdraft		
312 Accounts Payable <= 90 Days	67	67
322 Accrued Compensated Absences - Current Portion	1,052	1,052
331 Accounts Payable - HUD PHA Programs	86	86
347 Inter Program - Due To	2,706	2,706
310 Total Current Liabilities	3,911	3,911
300 Total Liabilities	3,911	3,911
400 Deferred Inflow of Resources	26,023	26,023
508.4 Net Investment in Capital Assets	2,544	2,544
511.4 Restricted Net Position	15,174	15,174
512.4 Unrestricted Net Position	98,678	98,678
513 Total Equity - Net Assets / Position	116,396	116,396
600 Total Liabilities, Deferred Inflows of Resources and Equity	\$ 146,330	\$ 146,330

(Continued)

**East Carroll Parish Police Jury (LA195)
Lake Providence, LA
Program Revenue and Expense Summary
14.871 Housing Choice Vouchers**

Exhibit 10

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	Total
70600 HUD PHA Operating Grants	\$ 680,315	\$ 680,315
71500 Other Revenue	533	533
70000 Total Revenue	<u>680,848</u>	<u>680,848</u>
91100 Administrative Salaries	44,738	44,738
91200 Auditing Fees	4,100	4,100
91500 Employee Benefit contributions - Administrative	5,645	5,645
91600 Office Expenses	11,850	11,850
91700 Legal Expense	1,200	1,200
91800 Travel	5,579	5,579
91000 Total Operating - Administrative	<u>73,112</u>	<u>73,112</u>
94300 Ordinary Maintenance and Operations Contracts	1,117	1,117
94000 Total Maintenance	<u>1,117</u>	<u>1,117</u>
96110 Property Insurance		
96120 Liability Insurance	2,399	2,399
96130 Workmen's Compensation	107	107
96100 Total insurance Premiums	<u>2,506</u>	<u>2,506</u>
96200 Other General Expenses	309	309
96210 Compensated Absences	526	526
96000 Total Other General Expenses	<u>835</u>	<u>835</u>
96900 Total Operating Expenses	<u>77,570</u>	<u>77,570</u>
97000 Excess of Operating Revenue over Operating Expenses	603,278	603,278
97300 Housing Assistance Payments	605,035	605,035
97400 Depreciation Expense	4,319	4,319
90000 Total Expenses	<u>686,924</u>	<u>686,924</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	(6,076)	(6,076)
11030 Beginning Equity	<u>122,472</u>	<u>122,472</u>
11170 Administrative Fee Equity	101,222	101,222
11180 Housing Assistance Payments Equity	<u>\$ 15,174</u>	<u>\$ 15,174</u>
11190 Unit Months Available	1,374	1,374
11210 Number of Unit Months Leased	1,374	1,374

(Concluded)

See independent auditor's report.

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

Independent Auditor's Report

To the Jurors of the East Carroll Parish Police Jury
Lake Providence, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the East Carroll Parish Police Jury (the Police Jury), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated June 22, 2023. Our report expresses an adverse opinion on the aggregate discretely presented component units due to their exclusion from the financial statements.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described as item 2022-001 in the accompanying schedule of findings and questioned costs.

Responses to Findings

The Police Jury's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Police Jury's responses and, accordingly, we express no opinion on them.

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 Police Jury's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
June 22, 2023

**REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Jurors of the East Carroll Parish Police Jury
Lake Providence, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited East Carroll Parish Police Jury's (the Police Jury) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2022. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Awards Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Police Jury and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Police Jury's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Police Jury's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Police Jury's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Police Jury's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Police Jury's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Police Jury's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
June 22, 2023

**East Carroll Parish Police Jury
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor Identifying Number	Total Federal Expenditures
United States Department of Housing and Urban Development			
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871		\$ 680,315
Total Housing Voucher Cluster			<u>680,315</u>
United States Department of Homeland Security			
Passed through the Louisiana Governor's Office of Homeland Security and Emergency Preparedness:			
Emergency Management Performance Grants	97.042	EMT-2020-EP-00001-S01 EMT-2021-EP-00001-S01	43,611
United States Department of the Treasury			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		249,628
The Institute of Museum and Library Services			
Passed through the Louisiana State Library			
COVID-19 Museums for America	45.301		31,035
National Endowment for the Humanities			
Passed through the Louisiana Endowment for the Humanities			
Promotion of the Humanities Federal/State Partnership	45.129		5,116
TOTAL FEDERAL AWARDS			<u><u>\$ 1,009,705</u></u>

See notes to the schedule of expenditures of federal awards.

East Carroll Parish Police Jury
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the East Carroll Parish Police Jury, Lake Providence, Louisiana. The East Carroll Parish Police Jury (the "Police Jury") reporting entity is defined in Note 1 to the Police Jury's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Police Jury, it is not intended to and does not present the financial position or changes in net position of the Police Jury.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. Such expenses are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Police Jury's fund financial statements as follows:

Governmental Activities:	
General	\$ 43,611
Library	36,151
Coronavirus Local Fiscal Recovery	249,628
Business-Type Activities:	
Section 8 Voucher	680,315
	\$ 1,009,705

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - FEDERAL AWARDS For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. Federal awards do not include the Police Jury's operating income from rents or investment (or other non-federal source). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended during the fiscal year."

NOTE 6 - INDIRECT COST RATE The Police Jury has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

East Carroll Parish Police Jury

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Part I - Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report | Unmodified |
| 2. Internal control over financial reporting | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified? | None |
| c. Noncompliance material to the financial statements? | Yes |
| d. Other matters identified? | None |

Federal Awards

- | | |
|---|------------|
| 1. Internal control over major programs | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified? | None |
| 2. Type of auditor's report issued on compliance for each major program | Unmodified |
| 3. Audit findings disclosed that are required in accordance with the Uniform Guidance | No |
| 4. Identification of major programs | |
| 14.871 Section 8 Housing Choice Vouchers | |
| 5. Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 6. Auditee qualified as a low-risk auditee? | No |

Part II - Findings and Responses Related to the Financial Statements

2022-001 Failure to Amend Budget (R.S. 39:1310)

Criteria: The Police Jury is required to follow the requirements of the Louisiana Local Government Budget Act at R.S. 39:1301 through 39:1315.

Condition: State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures and other financing uses exceed budgeted amounts by 5% or more. For the year ended December 31, 2022, the Drainage Maintenance Fund had budgetary basis expenditures of \$487,862 which exceeded budgeted expenditures of \$461,714 which resulted in an unfavorable variance of \$26,148, or 6%.

East Carroll Parish Police Jury

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022**

Cause: Unknown.

Effect: The Police Jury did not comply with all of the requirements of the Louisiana Local Government Budget Act as outlined above.

Recommendation: We recommend the monitoring of actual costs accumulated by department and fund more closely and making appropriate budget amendments to comply with the law requiring the budget to actual variance to be within 5%.

Management's Response: Management will review budget to actual comparisons and amend the budget when budgeted revenues are falling short of actual by more than 5%.

East Carroll Parish Police Jury
Schedule of Prior Audit Findings
For the Year Ended December 31, 2022

2021-001 Police Juror Use of Parish Vehicles

This finding has been resolved.

AGREED-UPON PROCEDURES REPORT

East Carroll Parish Police Jury

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2022 - December 31, 2022

To the Board Members of the
East Carroll Parish Police Jury
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the East Carroll Parish Police Jury's (the Police Jury) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2022 through December 31, 2022. The Police Jury's management is responsible for those C/C areas identified in the SAUPs.

The Police Jury has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal year January 1, 2022 through December 31, 2022. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and results are as follows:

1) *Written Policies and Procedures*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: We did not identify any written policies and procedures for iv, vi, x, and xi. We noted that the payroll/personnel policy does not include the approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules. We noted the ethics policy does not include actions to be taken if an ethics violation occurs or a system to monitor violations. We noted the purchasing policy does not include procedures on adding vendors to the vendor list. We noted that the travel policy does not include procedures for documentation requirements or required approvers. We also noted for the sexual harassment policy, there were no written procedures on annual training or annual reporting. No other exceptions noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: We noted that while the prior year's audit finding was ultimately discussed and resolved, it was not discussed at each meeting. No other exceptions noted.

3) Bank Reconciliations

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

Results: We noted there was no written evidence that any one has reviewed the reconciliations. No other exceptions noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that.
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Results: We noted that for one of the funds, one employee is responsible for collecting payments and preparing bank deposits. No other exceptions noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]*
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: We noted some employees who are responsible for processing payments are also responsible for adding/modifying vendor files and mailing checks. No other exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: We noted there were late fees and finance charges assessed on one of the credit cards tested. No other exceptions noted.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
 - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were found as a result of these procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of these procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe whether the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of these procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: We noted that three of the five employees tested did not have ethics training during the year.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: No exceptions were found as a result of these procedures.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the Legislative Auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: No exceptions were found as a result of these procedures.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1st, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Results: We noted that three of the five employees tested did not have sexual harassment training during the year. No other exceptions were noted.

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

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

This report is intended solely to describe the scope of testing on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
June 22, 2023

East Carroll Parish Police Jury

400 First Street, Suite 5
Lake Providence, LA 71254

MEMBERS:

RANDY WALTERS, Dist. 1
KOFI DARDEN-HAWKINS, Dist. 2
LOYD 'MOOKIE' WHALEY, Dist. 3
KENDALL L. THOMPSON, Dist. 4
ROGER O. CLEMENT, Dist. 5

PRESIDENT

Kendall L. Thompson

VICE-PRESIDENT

Kofi Darden-Hawkins

SECRETARY-TREASURER

Natosha G. Davis

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Mr. Michael J. Waguespack
Louisiana Legislative Auditor
1600 N 3rd St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Statewide Agreed-upon Procedures

The management of the East Carroll Parish Police Jury wishes to provide the following responses relative to the results of the 2022 statewide agreed-upon procedures engagement:

1. **Policies and Procedures:** The Police Jury will amend its policies and procedures to include the missing items.
2. **Bank reconciliations:** The Police Jury will implement a review process for bank reconciliations and ensure that all future bank reconciliations are dated and signed to indicate review. It will investigate outstanding checks over 12 months old.
3. **Collections:** - Due to the small nature of the Library and the small amount of collections it receives, the Police Jury does not consider it cost beneficial to further segregate the collection duties.
4. **Non-Payroll Disbursements:** Due to the small nature of the Library and the Section 8 office and the small number of disbursements that are processed, the Police Jury does not consider it cost beneficial to further segregate these duties.
5. **Credit Cards:** The Police Jury will ensure that no late fees or finance charges are assessed.
6. **Ethics:** The Police Jury will ensure that all employees/officials complete the required ethics training annually.
7. **Sexual Harassment:** The Police Jury will ensure that all employees/officials complete the required sexual harassment training annually.

Sincerely,

Natosha B. Davis

Natosha Davis

Secretary-Treasurer