

**Jackson Parish Police Jury  
Jonesboro, Louisiana**

**Annual Financial Report  
As of and for the Year Ended December 31, 2019**



**Jackson Parish Police Jury**

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## Jackson Parish Police Jury

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## Independent Auditor's Report

Police Jurors  
Jackson Parish Police Jury  
Jonesboro, Louisiana

### **Report on the Financial Statements**

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

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

### ***Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units***

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

### ***Adverse Opinion***

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 2019, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Police Jury as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As disclosed in Note 7 to the financial statements, the net pension liability for the Police Jury was \$1,342,617 at December 31, 2019, as determined by the Parochial Employees' Retirement System of Louisiana. The related actuarial valuation was performed by the Retirement System's actuary using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at December 31, 2019, could be under or overstated. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset), the Schedule of Employer Contributions to Pension Plan, and Budgetary Comparison Schedules and notes to required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

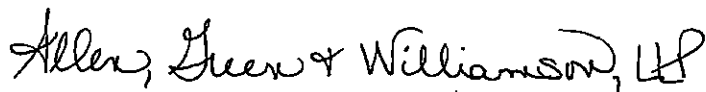
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Police Jury's primary government. The accompanying supplementary information and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the primary government's basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2020 on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
September 30, 2020

**REQUIRED SUPPLEMENTARY INFORMATION**

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



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**Jackson Parish Police Jury  
Management's Discussion and Analysis (MD&A)  
December 31, 2019**

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Our discussion and analysis of Jackson Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2019.

**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 2019 by \$27.5 million (net position). Of this amount, \$1.1 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

The Police Jury total net position decreased \$1.2 million mainly because of the decrease in ad valorem (\$383 thousand) and severance (\$44 thousand) tax revenues offset by an increase in capital grants and contributions (\$325 thousand) while expenses increased by \$550 thousand. The increase in expenses is mainly attributed to the increase in the net pension liability and the changes in the deferred outflows and inflows of resources related to pensions. The Jury believes that taxpayer's funds should be used for projects and maintenance that improves the quality of life for the citizens of Jackson Parish, not for hoarding funds. The decrease in net position does not have an adverse effect on any of the Jury's major programs. The Jury believes that it has have sufficient net position to provide these programs for the near future.

Total spending for all our governmental activities was \$10.3 million 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: judicial \$262 thousand, finance and administrative \$613 thousand, other general government \$483 thousand, public safety \$850 thousand, public works \$5.2 million, and culture and recreation \$1.4 million.

At the end of 2019, the Police Jury's governmental funds reported a combined fund balances of \$13.7 million, a decrease of \$1.9 million in comparison with prior year. \$1.4 million or 10% of the combined fund balance is available for spending at the government's discretion (unassigned fund balance). 100% of the unassigned fund balance is reported in the general fund.

At the end of the current year, unrestricted fund balance (the total of the committed and unassigned components of fund balance) for the general fund was \$1.8 million, or approximately 60% of total general fund expenditures.

**USING THIS ANNUAL REPORT** The Police Jury's annual report consist 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 governmental activities, 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 - the General Fund, Road Fund, Solid Waste Fund, Library Fund, and Asphalt Fund.

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**Jackson Parish Police Jury  
Management's Discussion and Analysis (MD&A)  
December 31, 2019**

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**Required Supplementary Information**

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

**Basic Financial Statements**

**Government-wide  
Financial Statements**



**Fund  
Financial Statements**

**Notes to the Financial Statements**

**Required Supplementary Information**

**Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)  
Schedule of Employer Contributions to Pension Plan  
Budgetary Information for Major Funds**

**Supplementary Information**

**Nonmajor Funds Combining Statements  
Schedule of Compensation Paid Police Jurors  
Schedule of Compensation, Benefits and Other Payments to Agency Head**

**Other Information**

**Other Reports Required By *Government Auditing Standards***

Our auditor has provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information (RSI) and the Supplementary Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report. Separate financial statements may be obtained from the component units that are not included.

**Reporting the Police Jury as a Whole**

**The Statement of Net Position and the Statement of Activities** 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 of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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**Jackson Parish Police Jury**  
**Management's Discussion and Analysis (MD&A)**  
**December 31, 2019**

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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.

The Statement of Net Position and Statement of Activities report the following activity for the Police Jury:

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

### **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 solid waste fund). The Police Jury's governmental funds use the following accounting approach:

**Governmental funds** - All 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 reconciliations on Statements D and F.

**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 \$27.5 million. Our analysis of the primary government focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental activities.

**Jackson Parish Police Jury**  
**Management's Discussion and Analysis (MD&A)**  
**December 31, 2019**

**Table 1**  
**Net Position**  
**December 31,**  
**(in thousands)**

	<b>2019</b>	<b>2018</b>	<b>Variance</b>	<b>Percentage of Change</b>
Other assets	\$ 14,448	\$ 16,305	\$ (1,857)	(11.4)
Capital assets	16,217	15,479	738	4.8
Total assets	<u>30,665</u>	<u>31,784</u>	<u>(1,119)</u>	(3.5)
Deferred outflows of resources	1,223	508	715	140.7
Other liabilities	533	229	304	132.8
Long-term liabilities	3,758	2,643	1,115	42.2
Total liabilities	<u>4,291</u>	<u>2,872</u>	<u>1,419</u>	49.4
Deferred inflows of resources	86	678	(592)	(87.3)
Net position:				
Net investment in capital assets	14,317	13,294	1,023	7.7
Restricted	12,112	12,981	(869)	(6.7)
Unrestricted	1,082	2,467	(1,385)	(56.1)
Total net position	<u>\$ 27,511</u>	<u>\$ 28,742</u>	<u>\$ (1,231)</u>	(4.3)

The largest portion of the Police Jury's net position (\$14.3 million or 52%) reflects its investment in capital assets (e.g. land, buildings, equipment, vehicles and infrastructure), less 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 (\$12.1 million or 44%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1.1 million 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. The same situation held true for the prior fiscal year.

**Governmental Activities** The Police Jury's overall net position decreased \$1.2 million from the prior year. The reasons for this overall decrease are as follows:

During the current fiscal year, net position for the governmental activities decreased \$1.2 million from the prior fiscal year for an ending balance of \$27.5 million. The Police Jury's governmental activities experienced a slight increase in revenues of \$3 thousand. This change can mainly be attributed to reduced tax revenues for ad valorem and severance taxes offset by an increase in operating grants and contributions. In the current fiscal year the Police Jury received \$325 for the LCDBG Punkin Center Well capital project. Expenses increased \$550 thousand or 5.7% to \$10.3 million. This change can be attributed to the increase in the net pension liability and the changes in the deferred outflows and inflows of resources related to pensions.

**Jackson Parish Police Jury**  
**Management's Discussion and Analysis (MD&A)**  
**December 31, 2019**

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

	<u>2019</u>	<u>2018</u>	<u>Variance</u>	<u>Percent of Change</u>
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 260	\$ 253	\$ 7	2.8
Operating grants and contributions	431	467	(36)	(7.7)
Capital grants and contributions	325	-	325	100.0
General revenues:				
Ad valorem taxes	4,372	4,755	(383)	(8.1)
Sales taxes	2,095	2,082	13	0.6
Severance taxes	643	687	(44)	(6.4)
Interest and investment earnings	298	224	74	33.0
Miscellaneous	613	566	47	8.3
Total revenues	<u>9,037</u>	<u>9,034</u>	<u>3</u>	0.0
<b>Functions/Program Expenses:</b>				
General government:				
Legislative	189	203	(14)	(6.9)
Judicial	303	300	3	1.0
Elections	37	27	10	37.0
Finance and administrative	613	454	159	35.0
Other general government	483	476	7	1.5
Public safety	916	817	99	12.1
Public works	6,043	5,742	301	5.2
Health and welfare	177	201	(24)	(11.9)
Culture and recreation	1,472	1,460	12	0.8
Interest on long-term debt	35	38	(3)	(7.9)
Total expenses	<u>10,268</u>	<u>9,718</u>	<u>550</u>	5.7
Increase (decrease) in net position	(1,231)	(684)	(547)	(80.0)
Net Position, beginning	<u>28,742</u>	<u>29,426</u>	<u>(684)</u>	(2.3)
Net Position, ending	<u>\$ 27,511</u>	<u>\$ 28,742</u>	<u>\$ (1,231)</u>	(4.3)

As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$10.3 million, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes and other general revenue was only \$9.3 million because some of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions \$756 thousand; by those charged for services \$260 thousand and the remaining costs were funded from residual surpluses (beginning net position).

In Table 3, we have presented the cost of each of the Police Jury's six largest functions for fiscal year ended December 31, 2019 – judicial, finance and administration, 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

**Jackson Parish Police Jury  
Management's Discussion and Analysis (MD&A)  
December 31, 2019**

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  
For the Years Ended December 31,  
Governmental Activities  
(in thousands)**

	<b>Total Cost of Services 2019</b>	<b>Net Cost of Services 2019</b>	<b>Total Cost of Services 2018</b>	<b>Net Cost of Services 2018</b>
Judicial	\$ 303	\$ 262	\$ 300	\$ 254
Finance and administration	613	613	454	454
Other general government	483	483	476	476
Public safety	916	850	817	739
Public works	6,043	5,230	5,742	5,244
Culture and recreation	1,472	1,376	1,460	1,363
All others	438	437	469	468
<b>Totals</b>	<b>\$ 10,268</b>	<b>\$ 9,251</b>	<b>\$ 9,718</b>	<b>\$ 8,998</b>

**THE 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.

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$13.7 million which is a decrease of \$1.9 million from last year. The primary reasons for the changes in fund balances are:

Our General Fund is our principal operating fund. The fund balance of the General Fund decreased \$854 thousand from the \$2.6 million reported in prior year to \$1.8 million. This decrease is primarily due to the purchase of a new building and adjacent land of (\$473 thousand), reduced ad valorem and general severance tax revenue of (\$104 thousand), and increased cost of parish prisoner housing of (\$107 thousand).

The Road Fund is our road maintenance fund. The fund balance in the Road Fund decreased from \$3.3 million to \$3.0 million. This decrease was primarily due to reduced ad valorem taxes of (\$64 thousand), increased equipment leases (\$99 thousand), increased gravel supplies (\$48 thousand), and specialty drainage work (\$45 thousand).

Our Solid Waste Fund is used to collect, dispose, and maintain garbage throughout Jackson Parish. The fund balance in the Solid Waste Fund decreased from \$1.3 million to \$856 thousand. In comparison with prior year, this decrease was mainly due to increased equipment purchases (\$102 thousand), increased supplies and repairs (\$68 thousand), and the transfer to Landfill Closure Fund (\$100 thousand).

Our Library Fund accounts for the Parish Library activities. The fund balance increased \$223 thousand from \$3.8 million to \$4.0 million. Revenues decreased \$285 thousand mainly because of the decrease in ad valorem taxes (\$307 thousand). The Library millage was reduced from 7.49 to 6.40. Expenses decreased \$159 thousand primary from a reduction in capital outlay. In prior year, the Library constructed a new parking lot (\$109 thousand).

**Jackson Parish Police Jury  
Management's Discussion and Analysis (MD&A)  
December 31, 2019**

Our Asphalt Fund accounts for asphaltting parish roads. The fund balance in the Asphalt Fund decreased from \$2.0 million to \$1.8 million. This decrease was primarily due to transfer (\$233 thousand) to the Road Fund for current year road projects.

Nonmajor Governmental Funds, which includes the Health Unit Fund, Landfill Closure Fund, Tourism Fund, Road Sales Tax Fund, Debt Service Fund and capital project funds, decreased from \$2.5 million to \$2.2 million or 12% from prior year.

**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 for the General Fund and major special revenue funds with legally adopted budgets is provided later in this report).

The amounts available for appropriations for the General Fund's final budget were \$440 thousand more than the original budget. This is mainly due to the increase in beginning fund balance available for appropriation and increasing ad valorem and severance tax revenues. The original budget was adopted in 2019. The Jury does not consider funds in the Statutory Reserve in building of the budget. These funds are set aside for bona fide emergency use.

The charges to appropriations for the General Fund final budget were \$668 thousand more than the original budget. This was mainly due to increasing capital outlay for the purchase of the Police Jury's new office building and adjacent land and increasing transfers to capital projects.

In comparing the General Fund's final budget to actual results, the actual amounts exceeded the budgeted amounts available for appropriations by \$62 thousand. This was mainly due to timing and estimated final expenses. The Jury deemed it prudent to budget conservatively. Actual charges to appropriations were \$25 thousand more than the budget mainly due to the final charges for housing of parish prisoners being higher than anticipated.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets** At December 31, 2019, the Police Jury had \$16.2 million 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 increase (including additions, deductions, and depreciation) of \$738 thousand or 5%, from last year.

**Capital Assets at Year End  
Governmental Activities  
(in thousands)**

	<b>2019</b>	<b>2018</b>
Land	\$ 492	\$ 434
Construction in progress	346	-
Buildings & Improvements	6,360	5,931
Vehicles	908	842
Equipment/Machinery/Furniture	1,275	1,151
Infrastructure/Roads	6,836	7,121
Total net capital assets	\$ 16,217	\$ 15,479

The infrastructure/road classification includes \$1.0 million in additions for resurfacing of parish roads. See Note 6 for further information regarding capital assets of the Police Jury at December 31, 2019.

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**Jackson Parish Police Jury  
Management's Discussion and Analysis (MD&A)  
December 31, 2019**

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**Debt** At the end of this year, the Police Jury had \$1.9 million in certificates of indebtedness outstanding versus \$2.2 million last year, a decrease of 13%. The certificates are payable over the next 6 years.

The Police Jury also has an obligation for the landfill closure liability at year end. The landfill liability is \$290 thousand. We present more detailed information about our long-term liabilities in Note 10 and Note 12 in the Notes to the Financial Statements.

The Policy Jury also has liabilities accrued for compensated absences (Note 9) and net pension liability (asset) (Note 7). See the respective note in the Notes to the Financial Statements for detailed information.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES** The Jackson Parish Police Jury has adopted a budget for 2020 based on historical data.

In March 2020, the United States Government and citizens had begun responding to the Coronavirus Pandemic (COVID-19). As part of this response, the State of Louisiana had issued a stay-at-home order for the citizens, which had also called for nonessential businesses to temporarily halt operations. Governments are in the early stages of determining what impact the stay-at-home and other health safety measures will have on the economy and the tax revenues that governments traditionally have collected. Because of the unknown ramifications of COVID-19 and related corresponding Governor's stay-at-home orders and proclamations, the exact financial impact to the Police Jury cannot be determined at this point. Accordingly, these financial statements do not include any adjustment for the downward trend in tax collections nor any other unfavorable revenue decline.

In addition, in August 2020, Jackson Parish experienced parish-wide damages resulting from Hurricane Laura. The Parish is currently assessing the value of the damages and is working to contract debris hauling and monitoring and will be requesting reimbursement from FEMA. The exact financial impact to the Police Jury cannot be determined at this point and these financial statements do not include any adjustment for the additional expenses.

**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 Gina Thomas, Secretary-Treasurer, at the Jackson Parish Police Jury, 500 E. Main Street, Room 301, Jonesboro, Louisiana 71251, telephone number (318) 259-2361.



**BASIC FINANCIAL STATEMENTS**

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

JACKSON PARISH POLICE JURY

STATEMENT OF NET POSITION  
December 31, 2019

Statement A

PRIMARY GOVERNMENT  
GOVERNMENTAL  
ACTIVITIES

ASSETS:	
Cash and cash equivalents	\$ 9,614,091
Receivables	4,834,193
Capital Assets:	
Land	837,649
Capital assets, net of depreciation	15,379,468
TOTAL ASSETS	<u>30,665,401</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows related to pensions	1,223,013
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,223,013</u>
LIABILITIES:	
Accounts, salaries, and other payables	498,603
Security deposits	34,471
Long-term liabilities:	
Due within one year	434,865
Due in more than one year	1,980,823
Net pension liability	1,342,617
TOTAL LIABILITIES	<u>4,291,379</u>
DEFERRED INFLOWS:	
Deferred inflows related to pensions	86,394
TOTAL DEFERRED INFLOWS	<u>86,394</u>
NET POSITION:	
Net investment in capital assets	14,317,117
Restricted for:	
Road maintenance	5,287,127
Waste management	856,304
Library	4,059,023
Health unit	476,000
Landfill closure	689,953
Tourism	118,346
Pavilion/Riding Arena	260,000
Grand jury and witness fees	21,291
Debt Service	343,191
Unrestricted	1,082,289
TOTAL NET POSITION	<u>\$ 27,510,641</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

JACKSON PARISH POLICE JURY

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

Statement B

PRIMARY  
GOVERNMENTAL  
ACTIVITIES

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
<i>Primary Government:</i>					
<i>Governmental Activities:</i>					
General government:					
Legislative	\$ 188,662	\$ -	\$ -	\$ -	\$ (188,662)
Judicial	302,675	29,253	11,837	-	(261,585)
Elections	36,699	-	-	-	(36,699)
Finance and administrative	613,323	-	-	-	(613,323)
Other general government	483,260	-	-	-	(483,260)
Public safety	916,638	-	66,714	-	(849,924)
Public works	6,043,065	188,795	299,682	324,842	(5,229,746)
Health and welfare	176,967	-	-	-	(176,967)
Culture and recreation	1,471,794	42,192	53,192	-	(1,376,410)
Interest on long-term debt	34,685	-	-	-	(34,685)
<b>Total Governmental Activities</b>	<b>\$ 10,267,768</b>	<b>\$ 260,240</b>	<b>\$ 431,425</b>	<b>\$ 324,842</b>	<b>(9,251,261)</b>
General revenues:					
Taxes:					
Ad valorem taxes					4,371,868
Sales and use taxes					2,095,047
State revenue sharing					96,220
Severance tax					642,619
Miscellaneous taxes					233,516
Licenses and permits					9,872
Interest and investment earnings					298,374
Miscellaneous					272,409
<b>Total general revenues</b>					<b>8,019,925</b>
Change in net position					(1,231,336)
Net position - beginning					28,741,977
Net position - ending					<b>\$ 27,510,641</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Jackson Parish Police Jury**

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**BASIC FINANCIAL STATEMENTS**

**Fund Financial Statements (FFS)**

JACKSON PARISH POLICE JURY

GOVERNMENTAL FUNDS  
Balance Sheet  
December 31, 2019

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 910,981	\$ 2,134,826	\$ 743,790
Receivables	<u>1,170,892</u>	<u>1,020,777</u>	<u>218,157</u>
<b>TOTAL ASSETS</b>	<b><u>2,081,873</u></b>	<b><u>3,155,603</u></b>	<b><u>961,947</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries, and other payables	260,934	46,438	105,643
Security deposits	<u>3,485</u>	<u>30,986</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>264,419</u></b>	<b><u>77,424</u></b>	<b><u>105,643</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable Revenue-property taxes	<u>42,219</u>	<u>45,339</u>	<u>-</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>42,219</u></b>	<b><u>45,339</u></b>	<b><u>-</u></b>
<b>Fund balances:</b>			
Restricted	21,291	3,032,840	856,304
Committed	326,768	-	-
Unassigned	<u>1,427,176</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUND BALANCES</b>	<b><u>1,775,235</u></b>	<b><u>3,032,840</u></b>	<b><u>856,304</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b><u>\$ 2,081,873</u></b>	<b><u>\$ 3,155,603</u></b>	<b><u>\$ 961,947</u></b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTERGRAL PART OF THIS STATEMENT.

Statement C

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 2,864,595	\$ 1,008,312	\$ 1,951,587	\$ 9,614,091
<u>1,221,760</u>	<u>868,489</u>	<u>334,118</u>	<u>4,834,193</u>
<u>4,086,355</u>	<u>1,876,801</u>	<u>2,285,705</u>	<u>14,448,284</u>
27,332	15,231	43,025	498,603
<u>-</u>	<u>-</u>	<u>-</u>	<u>34,471</u>
<u>27,332</u>	<u>15,231</u>	<u>43,025</u>	<u>533,074</u>
<u>55,481</u>	<u>39,445</u>	<u>6,936</u>	<u>189,420</u>
<u>55,481</u>	<u>39,445</u>	<u>6,936</u>	<u>189,420</u>
4,003,542	1,822,125	2,227,932	11,964,034
-	-	7,812	334,580
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,427,176</u>
<u>4,003,542</u>	<u>1,822,125</u>	<u>2,235,744</u>	<u>13,725,790</u>
<u>\$ 4,086,355</u>	<u>\$ 1,876,801</u>	<u>\$ 2,285,705</u>	<u>\$ 14,448,284</u>

**Jackson Parish Police Jury**

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**JACKSON PARISH POLICE JURY**

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

**Statement D**

Total fund balance, governmental funds \$ 13,725,790

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

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.

Costs of capital assets	\$ 44,670,290	
Accumulated depreciation	<u>(28,453,173)</u>	
		16,217,117

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. 189,420

Deferred outflows of resources are not available to pay current period expenditures and accordingly are not reported in the governmental funds. 1,223,013

Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the governmental funds. (86,394)

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 - Net Position.

Long-term liabilities balances at December 31, 2019 are:

Certificates of indebtedness	(1,900,000)	
Compensated absences payable	(225,921)	
Estimated liability for landfill closure	(289,767)	
Net pension liability	<u>(1,342,617)</u>	
		<u>(3,758,305)</u>

Net position of governmental activities \$ 27,510,641

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTERGRAL PART OF THIS STATEMENT.

JACKSON PARISH POLICE JURY

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

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>
<b>REVENUES</b>			
Local Sources:			
Taxes:			
Ad valorem	\$ 976,290	\$ 1,048,461	\$ -
Sales and use	-	-	1,257,028
Other taxes, penalties and interest	210,400	-	-
Licenses and permits	9,872	-	-
Intergovernmental revenues:			
State funds:			
Severance taxes	642,619	-	-
Parish transportation funds	-	279,042	-
State revenue sharing	21,774	23,160	-
State aid grants	32,477	-	-
Federal revenue	66,714	-	-
Fees, charges, and commissions for services	33,987	-	188,795
Fines and forfeitures	8,281	-	-
Miscellaneous revenues	85,200	16,207	69,244
Use of money and property	48,695	67,595	26,594
	<u>2,136,309</u>	<u>1,434,465</u>	<u>1,541,661</u>
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
Current:			
General government:			
Legislative	163,495	-	-
Judicial	267,149	-	-
Elections	33,504	-	-
Finance and administration	523,789	-	-
Other general government	484,292	-	-
Public safety	819,846	-	-
Public works	20,640	1,719,150	1,903,488
Health and welfare	49,347	-	-
Culture and recreation	103,471	-	-
Capital outlay	472,499	1,051,941	11,000
Debt service:			
Principal retirement	-	-	-
Interest and bank charges	-	-	-
	<u>2,938,032</u>	<u>2,771,091</u>	<u>1,914,488</u>
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>			
	<u>\$ (801,723)</u>	<u>\$ (1,336,626)</u>	<u>\$ (372,827)</u>

Statement E

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 1,285,719	\$ 912,141	\$ 160,377	\$ 4,382,988
-	-	838,019	2,095,047
-	-	-	210,400
-	-	-	9,872
-	-	-	642,619
-	-	-	279,042
31,800	19,486	-	96,220
24,950	-	27,775	85,202
-	-	287,202	353,916
29,177	-	-	251,959
-	-	-	8,281
3,319	1,481	37,900	213,351
66,714	61,262	27,514	298,374
<u>1,441,679</u>	<u>994,370</u>	<u>1,378,787</u>	<u>8,927,271</u>
-	-	-	163,495
-	-	-	267,149
-	-	-	33,504
-	-	-	523,789
-	-	-	484,292
-	-	-	819,846
-	817,157	337,168	4,797,603
-	-	120,217	169,564
1,209,265	-	15,001	1,327,737
9,448	137,401	357,486	2,039,775
-	-	285,000	285,000
-	-	34,685	34,685
<u>1,218,713</u>	<u>954,558</u>	<u>1,149,557</u>	<u>10,946,439</u>
<u>\$ 222,966</u>	<u>\$ 39,812</u>	<u>\$ 229,230</u>	<u>\$ (2,019,168)</u>

(Continued)

JACKSON PARISH POLICE JURY

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

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ 1,019,602	\$ -
Transfers out	(147,339)	-	(100,117)
Insurance recoveries	95,116	2,049	-
	<u>(52,223)</u>	<u>1,021,651</u>	<u>(100,117)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(853,946)	(314,975)	(472,944)
FUND BALANCES - BEGINNING	<u>2,629,181</u>	<u>3,347,815</u>	<u>1,329,248</u>
FUND BALANCES - ENDING	<u>\$ 1,775,235</u>	<u>\$ 3,032,840</u>	<u>\$ 856,304</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTERGRAL PART OF THIS STATEMENT.

Statement E

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 567,141	\$ 1,586,743
-	(232,978)	(1,106,309)	(1,586,743)
-	-	-	97,165
-	(232,978)	(539,168)	97,165
222,966	(193,166)	(309,938)	(1,922,003)
<u>3,780,576</u>	<u>2,015,291</u>	<u>2,545,682</u>	<u>15,647,793</u>
<u>\$ 4,003,542</u>	<u>\$ 1,822,125</u>	<u>\$ 2,235,744</u>	<u>\$ 13,725,790</u>

(Concluded)

**JACKSON 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, 2019**

		<b>Statement F</b>
Total net change in fund balances - governmental funds	\$	(1,922,003)
Amounts reported for governmental activities in the Statement of Activities are different because:		
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 capital outlays exceeds depreciation expense in the period:		
Capital outlay	\$ 2,859,089	
Depreciation expense	<u>(2,120,930)</u>	738,159
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(11,120)
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		285,000
In the Statement of Activities, the estimated liability and expense for landfill closure is based on the landfill capacity to used to date. Whereas in the governmental funds, there is no recognition because there is no inflow/outflow of current financial resources.		(39,119)
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 fund financial statements are the amounts actually paid.		(263,778)
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).		<u>-</u>
Change in net position of governmental activities	\$	<u><u>(1,212,861)</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTERGRAL PART OF THIS STATEMENT.

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

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**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The Jackson Parish Police Jury (the Police Jury) is the governing authority for Jackson Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by seven jurors representing the various districts within the parish who are elected to serve four-year terms.

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, library facilities, and health care facilities.

**A. REPORTING ENTITY** As the governing authority of the parish, for reporting purposes, the Jackson Parish Police Jury is the financial reporting entity for Jackson 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.

Governmental Accounting Standards Board (GASB) Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the Jackson 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 has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the 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 there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.



**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

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:			
Jackson Parish Library	Blended	December 31, 2019	1a
Not included within the reporting entity:			
Jackson Parish Hospital Service District #1	Not included	September 30, 2019	1a
Jackson Parish Recreation District	Not included	December 31, 2019	1a
Ward 2 Fire Protection District	Not included	December 31, 2019	1a
Ward 3 Fire Protection District	Not included	December 31, 2019	1a
Ward 4 Fire Protection District	Not included	December 31, 2019	1a
Quitman Fire Protection District No. 1	Not included	December 31, 2019	1a
Jonesboro Fire Protection District No. 1	Not included	June 30, 2019	1a
Jackson Parish Ambulance Service District	Not included	December 31, 2019	1a
Jackson Parish Watershed District	Not included	December 31, 2019	1a
Jackson Parish Assessor	Not included	December 31, 2019	2
Jackson Parish Clerk of Court	Not included	June 30, 2019	2

The Police Jury has chosen not to include the component units listed above in its basic financial statements. The financial statements only present data of the primary government; however, the data of the component units is necessary in order for the Police Jury to report in conformity with GAAP. If these component units were included, it would be through discrete presentation. Separate financial statements may be obtained from the respective governments.

Considered in the determination of component units of the reporting entity were the Jackson Parish School Board, Jackson Parish Communications District, Jackson Parish Sales Tax Agency, Jackson Parish Council on Aging, Jackson Parish Sheriff, the District Attorney and Judges for the Second Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Jackson Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jackson Parish Police Jury.

**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 the recovering the cost of providing services to the public or other agencies through service charges or user fees. The Police Jury's current operations require the use of governmental funds. The Police Jury reports the following major governmental funds:

**General Fund** - 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 Fund** - The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, parish transportation funds provided by the State, state revenue sharing funds, issuance of debt, operation transfers from the general fund, interest earned on investments, and miscellaneous revenues.

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

**Solid Waste Fund** - The solid waste fund accounts for the construction, maintenance and operation of the solid waste system. Funding is provided by a parish-wide sales tax, fees charged for services, interest on investments, and other miscellaneous revenues.

**Library Fund** - The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

**Asphalt Fund** - The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, miscellaneous revenues and interest earned on investments.

**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.

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With this measurement focus, only current assets and current liabilities 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.

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, and 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, issuance of debt, increases in capital lease purchases, insurance proceeds, 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.

**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 (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. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** 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.

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**G. 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.

**H. INVENTORIES AND PREPAID ITEMS** Inventories are valued at cost using the first-in/first-out method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

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

**I. CAPITAL ASSETS** Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value) for items over the thresholds listed below. 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. The Police Jury elected not to retroactively report major general infrastructure assets. Interest during construction was not capitalized on capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

<u>Asset Category</u>	<u>Threshold</u>	<u>Useful Life</u>
Vehicles	\$ 5,000	7 years
Heavy Equipment: Machinery/Device	5,000	5 years
Heavy Equipment: Industrial Fixture	10,000	25 years
Building Purchase or Construction	15,000	40 years
Building Improvements	15,000	20 years
Infrastructure: Land Improvements	15,000	15 years
Infrastructure: Parish Roads	20,000	10 years
Infrastructure: Model Bin Site	20,000	20 years
Office Equipment/Furniture	5,000	7 years
Computers/IT Equipment	5,000	3 years
Internal Use Software (Minor)	5,000 to 25,000	5 years
Internal Use Software (Major)	Over 25,000	10 years
Books, periodicals and law books	5,000	5 years

In cases where a purchase is made and the specific life expectancy is established that does not agree to the above table, the useful life will be adjusted to match the established life of the asset.

**J. COMPENSATED ABSENCES** All full-time employees of the Police Jury earn annual leave at rates varying from ten to twenty-one days per year, depending on length of service. Employees may accumulate and carry forward no more than twenty days of annual leave. All full-time permanent employees earn five to twenty-one days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees. Upon retirement, resignation, termination or death, an employee (or beneficiary) will be paid for a maximum of 160 hours (20 days) of unused vacation leave that an employee has accrued on the date of his/her separation.

Full-time employees of the Jackson Parish Library earn from ten to 20 days of annual leave, depending on their length of service with the library. Part-time employees working 20 hours or more per week earn one-half of full-time employee leave each year. Vacation leave can be accumulated up to 25 days. All 12-month employees earn 12

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days of sick leave each year. Sick leave can be accumulated up to 60 days. Sick leave lapses upon termination of employment.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as 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 criteria for compensated absences are as follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as 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.

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.

**K. LIABILITIES** For government-wide reporting, the costs associated with the bonds, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred as established by GASB No. 65.

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 other 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.

**L. 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 position 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 position 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.

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**M. 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.

**N. RESTRICTED NET POSITION** For the government-wide statement of net position, net position is reported as restricted if either of the following conditions exist:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Restrictions are imposed by law through constitutional provisions or enabling legislation.

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 is available. Restricted net position reported in the statement of net position for road maintenance, waste management, library and health unit are restricted by enabling legislation.

**O. FUND BALANCES OF FUND FINANCIAL STATEMENTS** GASB 54 requires the fund balance amounts to be 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 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. The Jury is the highest level of decision making authority of the Police Jury that can, by adoption of a resolution prior to fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Jury removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

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

**Unassigned:** Fund balance that is the residual classification for the general fund.

The Police Jury considers restricted amounts to have been spent when an expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available. 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.

**P. 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 nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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**Q. SALES TAXES** The Police Jury has a 4/10% sales and use tax, which was passed by the voters on April 20, 1996, for a period of ten years. The net proceeds of the tax (after necessary costs of collection) are to be used to black top or seal parish roads and streets. The Policy Jury has a 6/10% sales and use tax, which was passed by the voters on April 20, 1996 for a period of 10 years. The net proceeds of the tax (after necessary costs of collection) are to be used for waste management. Both of these sales taxes were renewed in 2005 and again in 2015 for a period of 10 years.

**R. 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.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**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, 2019:

Fund	Budget	Actual	Variance
General	\$ 3,060,068	\$ 3,085,371	\$ (25,303)

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

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

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

Property Tax Calendar

Jury Levy date	July 8, 2019
Tax bills mailed	On or about November 1, 2019
Due date	December 31, 2019
Lien date	January 1, 2020
Tax sale – 2019 delinquent property	May 13, 2020

Assessed values are established by the Jackson 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 2016. Total assessed value was \$228,002,460 in calendar year 2019. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$21,352,300 of the assessed value in calendar year 2019.

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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, library, asphalt, and nonmajor governmental (health unit) funds. 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 taxes receivable 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 2019 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 the maximum millages allowed and the amounts levied for ad valorem taxes for the year ended December 31, 2019:

	Maximum Allowed <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
Parish-wide taxes:			
Parish general	5.39	4.87	-
Roads and bridges	5.73	5.23	2029
Road asphalt/paving	4.98	4.55	2029
Library & bookmobile	10.11	6.40	2028
Health Unit	0.80	0.80	2022
Forest protection	8 cents/acre	8 cents/acre	-

**NOTE 4 - CASH DEPOSITS** At December 31, 2019, the Police Jury had cash and cash equivalents (book balances) of \$9,614,091.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2019, the Police Jury had a bank balance of \$9,719,703 of which \$9,219,703 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Police Jury's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon request. The Police Jury's policy does not address custodial credit risk.



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**NOTE 5 - RECEIVABLES** The following is a summary of receivables at December 31, 2019:

	<u>Ad Valorem</u>	<u>Sales Tax</u>	<u>Federal</u>	<u>State</u>	<u>Other local</u>	<u>Total</u>
General Fund	\$ 929,569	\$ -	\$ 33,781	\$ 154,669	\$ 52,873	\$ 1,170,892
Road Fund	998,284	-	-	22,493	-	1,020,777
Solid Waste	-	213,343	-	-	4,814	218,157
Library	1,221,606	-	-	-	154	1,221,760
Asphalt Fund	868,489	-	-	-	-	868,489
Nonmajor Governmental	152,703	142,251	39,164	-	-	334,118
Total	<u>\$ 4,170,651</u>	<u>\$ 355,594</u>	<u>\$ 72,945</u>	<u>\$ 177,162</u>	<u>\$ 57,841</u>	<u>\$ 4,834,193</u>

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of the remaining accounts receivable is expected to be collected in full; no allowance for doubtful accounts has been established.

**NOTE 6 - CAPITAL ASSETS** The following schedule presents changes in capital assets for the Police Jury:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 433,912	\$ 57,935	\$ -	\$ 491,847
Construction in progress	-	345,802	-	345,802
Total capital assets, not being depreciated	<u>433,912</u>	<u>403,737</u>	<u>-</u>	<u>837,649</u>
Capital assets, being depreciated:				
Buildings & Improvements	9,670,250	709,510	-	10,379,760
Vehicles	3,131,662	228,773	-	3,360,435
Equipment/Machinery/Furniture	4,649,596	458,667	62,073	5,046,190
Infrastructure/Roads	24,562,884	1,058,402	575,030	25,046,256
Total capital assets, being depreciated	<u>42,014,392</u>	<u>2,455,352</u>	<u>637,103</u>	<u>43,832,641</u>
Less accumulated depreciation:				
Buildings & Improvements	3,739,159	280,081	-	4,019,240
Vehicles	2,289,333	161,431	-	2,450,764
Equipment/Machinery/Furniture	3,498,709	336,282	62,073	3,772,918
Infrastructure/Roads	17,442,145	1,343,136	575,030	18,210,251
Total	<u>26,969,346</u>	<u>2,120,930</u>	<u>637,103</u>	<u>28,453,173</u>
Total capital assets, being depreciated, net	<u>15,045,046</u>	<u>334,422</u>	<u>-</u>	<u>15,379,468</u>
Governmental activities capital assets net	<u>\$15,478,958</u>	<u>\$ 738,159</u>	<u>\$ -</u>	<u>\$ 16,217,117</u>

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

Legislative	\$ 25,167
Judicial	35,526
Elections	3,195
Finance and administrative	65,226
Other general government	58,959
Public safety	96,792
Public works	1,589,795
Health and welfare	20,391
Culture and recreation	225,879
Total	<u>\$ 2,120,930</u>

**NOTE 7 - 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](http://www.persla.org).

**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 on or before 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 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.

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**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.

**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, 2019, the actuarially determined contribution rate was 12.18% of member's compensation. However, the actual rate for fiscal year ending December 31, 2019 was 11.5% or \$235,724. 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 nonemployer contributions was \$23,116 and was recognized as revenue by the Police Jury.

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

At December 31, 2019, the Police Jury reported a net pension liability (asset) of \$1,342,617 for its proportionate share of the Net Pension Liability (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, 2018, and the total pension liability used to calculate the NPL was determined by actuarial valuations as of that date. The Police Jury's proportions of the NPL were based on projections of the Police Jury's long-term share of contributions to the pension plan relative to the projected contribution of all participating employers, actuarially determined. As of December 31, 2018, the most recent measurement date, the Police Jury's proportion was 0.302503% and the changes in proportion from the prior measurement date was a decrease of 0.004066%.

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For the year ended December 31, 2019, the Police Jury recognized a total pension expense of \$522,618. 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:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ -	\$ 81,796
Changes in assumptions	335,698	
Net difference between projected and actual earnings on pension plan investments	642,715	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,876	4,598
Employer contributions subsequent to the measurement date	235,724	
Total	\$ 1,223,013	\$ 86,394

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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2020	\$ 309,285
2021	169,254
2022	138,438
2023	283,918

*Actuarial Assumptions:* A summary of the actuarial methods and assumptions used in determining the total pension liability in the December 31, 2018 valuation are as follows:

Valuation Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.50%, net of investment expense, including inflation
Inflation Rate	2.40%
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% (2.35% Merit/2.40% Inflation)
Cost of Living Adjustments	Not substantively automatic

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

*Discount Rate:* The discount rate used to measure the total pension liability was 6.50%. 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.

*Changes in Assumptions and Other Inputs from Prior Valuation:* Due to an updated actuarial experience study (January 1, 2013 – December 31, 2017) from the previous experience study (January 1, 2010 – December 31, 2014) and expectations of future experience, mortality, retirement, DROP entry, and withdrawal rates used in the December 31, 2018 valuation were changed. The mortality tables changed from 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 for annuitant and beneficiary mortality, the RP-2000 Employees Sex Distinct Tables (set back 4 years for males and 3 years for females) for employees and the RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females) for disabled annuitants to the mortality tables listed above. The inflation rate was reduced from 2.50% to 2.40%, the projected salary increases was reduced from 5.25% to 4.75% and the discount rate was reduced from 6.75% to 6.50%. The discount rate was reduced in accordance with the System's desire for conservatism in the Plan and the desire to reduce the long-term risk of the retirement fund.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2018.

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, 2018 are summarized in the following table:

Asset Class	Target Allocation	LT Expected Real Rate of Return
Fixed income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	0.65%
Real assets	2%	0.11%
Total	<u>100%</u>	<u>5.43%</u>
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>7.43%</u>

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

*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% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
\$ 2,851,358	\$ 1,342,617	\$ 81,440

*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, 2019, the Police Jury had no payables for employee and employer legally required contributions.

**NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES** The following is a summary of payables at December 31, 2019:

	General Fund	Road Fund	Solid Waste	Library Fund	Asphalt Fund	Nonmajor Governmental	Total
Vendor Payable	\$ 252,961	\$ 37,175	\$ 85,141	\$ 12,412	\$ 5,968	\$ 40,681	\$ 434,338
Salaries and Benefits Payable	7,973	9,263	20,502	14,920	9,263	2,344	64,265
	\$ 260,934	\$ 46,438	\$ 105,643	\$ 27,332	\$ 15,231	\$ 43,025	\$ 498,603

**NOTE 9 - COMPENSATED ABSENCES** Employees of the Police Jury had accumulated and vested \$225,921 of employee leave benefits at December 31, 2019, which includes \$3,229 of employee related benefits. These benefits were computed in accordance with GASB Codification, Section C60. This amount has been recorded as a long-term obligation.

**NOTE 10 - LONG-TERM OBLIGATIONS** The following is a summary of the long-term liabilities transactions and balances for the year ended December 31, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Direct placement and borrowings:					
Certificate of indebtedness	\$ 2,185,000	\$ -	\$ 285,000	\$ 1,900,000	\$ 295,000
Compensated absences	207,446	158,340	139,865	225,921	139,865
Estimated liability for landfill closure	250,648	39,119	-	289,767	-
Total Long-term liabilities	\$ 2,643,094	\$ 197,459	\$ 424,865	\$ 2,415,688	\$ 434,865

Principal and interest payments on the certificate of indebtedness are paid by the Debt Service Fund which is funded through transfers from the Road Sales Tax Fund.

Compensated absences are liquidated by the General Fund, Road Fund, Solid Waste Fund, Library Fund, and Nonmajor Governmental (Health Unit).

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

On June 22, 2015, the Police Jury issued \$3,000,000 in certificate of indebtedness, series 2015 for the purpose of constructing and improving the Police Jury's roads and bridges. The certificates mature serially beginning June 1, 2016 with final payment due June 1, 2025. Interest rates range from 0.729% for certificates due June 1, 2016 to 2.066% for certificates due June 1, 2025.

Future debt service requirements for payment of principal and interest are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2020	\$ 295,000	\$ 30,994	\$ 325,994
2021	305,000	26,787	331,787
2022	310,000	21,945	331,945
2023	320,000	16,408	336,408
2024	330,000	10,249	340,249
2025	340,000	3,512	343,512
	<u>\$ 1,900,000</u>	<u>\$ 109,895</u>	<u>\$ 2,009,895</u>

**NOTE 11 - LEASES** The Jackson Parish Police Jury had the following operating leases for the fiscal year ended December 31, 2019:

<u>Asset</u>	<u>Contract Date</u>	<u>Term</u>	<u>Monthly Rental</u>	<u>Minimum Rental Payment for December 31, 2019</u>
Volvo Trackhoe	March 23, 2015	48 months	\$ 2,425	\$ 7,275
Volvo ECR Compact Excavator	January 1, 2016	36 months	2,200	2,200
Caterpillar CT660 Dump Truck	April 28, 2016	36 months	1,500	6,000
John Deere Bull Dozer	November 29, 2016	48 months	1,348	16,173
Two John Deere Motor Graders	November 15, 2018	36 months	4,659	55,909
Caterpillar Mini Excavator	January 1, 2019	48 months	1,073	12,878
Volvo ECR Compact Excavator	January 17, 2019	36 months	2,200	24,200
Kenworth Dump Truck	February 4, 2019	48 months	1,850	20,350
Caterpillar CW16 Roller	February 20, 2019	48 months	1,210	12,100
Caterpillar 316 FL Trackhoe	March 14, 2019	48 months	2,246	22,460
Caterpillar 315 FL Excavator	June 1, 2019	48 months	2,246	15,722
Total				<u>\$ 195,267</u>

The future minimum rental payments are as follows:

<u>Year Ending</u>	<u>Future Minimum Rental Payment</u>
2020	\$ 199,289
2021	181,152
2022	105,701
2023	19,992
Total	<u>\$ 506,134</u>

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

**NOTE 12 - SOLID WASTE LANDFILL COSTS** State and federal laws and regulations require the Jackson Parish Police Jury to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for three years after closure.

The Jackson Parish Landfill is a Type III facility that accepts only construction and demolition debris. The Jackson Parish Landfill has an estimated final closing during fiscal year 2034 (approximately 14 years remaining). The current permit expires December 17, 2028.

The estimated liability for landfill closure and post closure care costs has a balance of \$289,767 as of December 31, 2019, which is based on 41.2% usage of the landfill. The recognition of the liability for closure and post closure cost is based on landfill capacity used to date.

The estimated total cost of the landfill closure and post closure care is \$703,489. This is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2019. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Jackson Parish Police Jury has established a special revenue fund to account for the contributions to finance closure costs and post closure care. The Jackson Parish Police Jury has funded \$689,953 of the estimated closure costs as of December 31, 2019.

**NOTE 13 - INTERFUND TRANSACTIONS**

Transfers In/Out: Operating transfers for the year ended December 31, 2019, were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Road Fund	Asphalt Fund	\$ 232,978
Road Fund	Nonmajor Governmental	786,624
Nonmajor Governmental	General Fund	147,339
Nonmajor Governmental	Solid Waste	100,117
Nonmajor Governmental	Nonmajor Governmental	319,685
Totals		<u>\$ 1,586,743</u>

The purpose of the interfund transfers are as follows:

- General fund transferred \$147,339 to the Nonmajor Governmental (Capital Projects) to fund current year capital projects.
- Solid Waste transferred \$100,117 to the Nonmajor Governmental (Landfill Closure) to increase the reserves to cover the increase in estimated closure costs.
- The Asphalt Fund transferred \$232,978 to the Road Fund to fund current year road projects.
- The Nonmajor Governmental fund (Road Sales Tax Fund) transferred \$319,685 to Nonmajor Governmental (Debt Service Fund) for principal and interest payments and \$786,624 to the Road Fund to fund current year road projects.

**NOTE 14 - LITIGATION AND CLAIMS**

Litigation – The Police Jury is a defendant in several lawsuits. Management and legal counsel for the Police Jury believe that the potential claims against the Police Jury not covered by insurance would not materially affect the Police Jury’s financial position.



**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

**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 terms of the grant.

**NOTE 15 - RISK MANAGEMENT** The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 16 - FUND BALANCE CLASSIFICATION DETAILS**

	General	Road Fund	Solid Waste	Library	Asphalt Fund	Nonmajor Governmental	Total
Restricted:							
Road maintenance	\$ -	\$ 3,032,840	\$ -	\$ -	\$ 1,822,125	\$ 347,378	\$ 5,202,343
Solid waste	-	-	856,304	-	-	-	856,304
Library	-	-	-	4,003,542	-	-	4,003,542
Health unit	-	-	-	-	-	469,064	469,064
Landfill closure	-	-	-	-	-	689,953	689,953
Tourism	-	-	-	-	-	118,346	118,346
Pavilion/Riding Arena	-	-	-	-	-	260,000	260,000
Court and witness fees	21,291	-	-	-	-	-	21,291
Debt service	-	-	-	-	-	343,191	343,191
Committed:							
Contingencies	326,768	-	-	-	-	-	326,768
Facility improvements	-	-	-	-	-	7,812	7,812
Unassigned	1,427,176	-	-	-	-	-	1,427,176
<b>Total</b>	<b>\$ 1,775,235</b>	<b>\$ 3,032,840</b>	<b>\$ 856,304</b>	<b>\$ 4,003,542</b>	<b>\$ 1,822,125</b>	<b>\$ 2,235,744</b>	<b>\$ 13,725,790</b>

**NOTE 17 - TAX ABATEMENTS** The Police Jury is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended December 31, 2019 by authorized millage is as follows:

<u>Tax Code</u>	<u>Millage</u>	<u>Assessed Valuate Lost to ITEP</u>	<u>Estimated Tax Dollar Lost to ITEP</u>
Parish general	4.87	\$ 19,261,190	\$ 93,802
Roads & bridges	5.23	19,261,190	100,736
Roads asphalt/paving	4.55	19,261,190	87,638
Library & bookmobile	6.40	19,261,190	123,272
Health Unit	0.80	19,261,190	15,409
			<u>\$ 420,857</u>

**Jackson Parish Police Jury**  
**Notes to the Financial Statements**  
**December 31, 2019**

**NOTE 18 - SUBSEQUENT EVENTS** In March 2020, the United States Government and citizens had begun responding to the Coronavirus Pandemic (COVID-19). As part of this response, the State of Louisiana had issued a stay-at-home order for the citizens, which had also called for nonessential businesses to temporarily halt operations. Governments that collect sales tax as a main source of revenue are in the early stages of determining what impact the stay-at-home and other health safety measures will have on the economy and the tax revenues that governments traditionally have collected. Early signs indicate that sales tax collection, at least in the short run, will have a material unfavorable impact to the taxing body. However, because of the unknown ramifications of COVID-19 and related corresponding Governor's stay-at-home orders and proclamations, the exact financial impact to the Police Jury cannot be determined at this point. Accordingly, these financial statements do not include any adjustment for the downward trend in sales tax collections nor any other unfavorable revenue decline.

In August 2020, Jackson Parish experienced parish-wide damages resulting from Hurricane Laura. The Parish is currently assessing the value of the damages and is working to contract debris hauling and monitoring and will be requesting reimbursement from FEMA. The exact financial impact to the Police Jury cannot be determined at this point and these financial statements do not include any adjustment for the additional expenses.

**NOTE 19 - NEW GASB STANDARD** In fiscal year 2019, the Police Jury adopted the following new statement of financial accounting standard issued by the Governmental Accounting Standards Board:

*Statement No. 88 – Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placement*, issued by the Government Accounting Standards Board. This Statement defines debt for purposes of disclosure in notes to the financial statements; clarifies which liabilities governments should include when disclosing information related to debt; and requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The Statement also requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant termination events with finance-related consequences and significant subjective acceleration clauses.

The adoption of this standard had no impact on the Police Jury's governmental fund or government-wide financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Jackson Parish Police Jury**

**Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)  
Last Five Years**

**Exhibit 1-1**

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	0.306734%	\$ 85,899	\$ 1,564,644	5%	99.15%
2016	0.302500%	796,267	1,734,414	46%	92.23%
2017	0.295510%	608,607	1,752,538	35%	94.15%
2018	0.306569%	(227,550)	1,846,305	-12%	101.98%
2019	0.302503%	1,342,617	1,890,738	71%	88.86%

**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.

**Jackson Parish Police Jury**

**Schedule of Employer Contributions to Pension Plan  
Last Five 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>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$ 251,490	\$ 251,490	\$ -	\$ 1,734,414	14.5%
2016	227,830	227,830	-	1,752,538	13.0%
2017	230,789	230,789	-	1,846,305	12.5%
2018	217,435	217,435	-	1,890,738	11.5%
2019	235,724	235,724	-	2,049,769	11.5%

Notes:

The amounts presented were determined 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.

**Jackson Parish Police Jury**

**Notes to Required Supplemental 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	2018	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%

**Jackson Parish Police Jury**

**Budgetary Comparison Schedules**

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

**GENERAL FUND**

The general fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

**ROAD FUND**

The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, parish transportation funds provided by the state, state revenue sharing funds, issuance of debt, operating transfers from the general fund, interest earned on investments and miscellaneous revenues.

**SOLID WASTE FUND**

The solid waste fund accounts for the construction, maintenance and operation of solid waste system. Funding is provided by a parish-wide sales tax, fees charged for services, interest on investments, and other miscellaneous revenues.

**LIBRARY FUND**

The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

**ASPHALT FUND**

The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, miscellaneous revenues and interest earned on investments.

**JACKSON PARISH POLICE JURY**  
**GENERAL FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

Exhibit 2-1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,452,467	\$ 2,629,181	\$ 2,629,181	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	970,000	1,000,000	976,290	(23,710)
Other taxes, penalties and interest	159,000	161,618	210,400	48,782
Licenses and permits	9,732	10,366	9,872	(494)
Intergovernmental revenues:				
State funds:				
Severance taxes	580,000	642,950	642,619	(331)
State revenue sharing	21,000	21,363	21,774	411
State aid grants	12,000	32,477	32,477	-
Federal revenue	56,511	94,086	66,714	(27,372)
Fees, charges, and commissions for services	25,800	29,470	33,987	4,517
Fines and forfeitures	12,000	8,334	8,281	(53)
Miscellaneous revenues	24,950	25,665	85,200	59,535
Use of money and property	34,980	47,994	48,695	701
Insurance recoveries	-	95,116	95,116	-
	<u>4,358,440</u>	<u>4,798,620</u>	<u>4,860,606</u>	<u>61,986</u>
Amounts available for appropriations				
Charges to appropriations (Outflows)				
Current:				
General government:				
Legislative	195,149	157,340	163,495	(6,155)
Judicial	283,375	273,345	267,149	6,196
Elections	67,532	23,952	33,504	(9,552)
Finance and administration	496,481	526,074	523,789	2,285
Other general government	440,969	521,597	484,292	37,305
Public safety	701,200	755,424	819,846	(64,422)
Public works	-	20,640	20,640	-
Health and welfare	51,143	49,357	49,347	10
Culture and recreation	35,990	112,501	103,471	9,030
Capital outlay	80,650	472,499	472,499	-
Transfers to other funds	40,000	147,339	147,339	-
	<u>2,392,489</u>	<u>3,060,068</u>	<u>3,085,371</u>	<u>(25,303)</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,965,951</u>	<u>\$ 1,738,552</u>	<u>\$ 1,775,235</u>	<u>\$ 36,683</u>



**JACKSON PARISH POLICE JURY**  
**ROAD FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

Exhibit 2-2

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,318,265	\$ 3,347,815	\$ 3,347,815	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	1,005,000	1,005,000	1,048,461	43,461
Intergovernmental revenues:				
State funds:				
Parish transportation funds	252,000	258,440	279,042	20,602
State revenue sharing	22,500	22,722	23,160	438
Miscellaneous revenues	6,500	16,207	16,207	-
Use of money and property	44,200	68,909	67,595	(1,314)
Transfers in	1,150,000	1,019,602	1,019,602	-
Insurance recoveries	-	2,049	2,049	-
Amounts available for appropriations	<u>5,798,465</u>	<u>5,740,744</u>	<u>5,803,931</u>	<u>63,187</u>
Charges to appropriations (Outflows)				
Current:				
Public works	1,736,276	1,765,402	1,719,150	46,252
Capital outlay	<u>1,190,000</u>	<u>1,051,941</u>	<u>1,051,941</u>	<u>-</u>
Total charges to appropriations	<u>2,926,276</u>	<u>2,817,343</u>	<u>2,771,091</u>	<u>46,252</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 2,872,189</u>	<u>\$ 2,923,401</u>	<u>\$ 3,032,840</u>	<u>\$ 109,439</u>

**JACKSON PARISH POLICE JURY**  
**SOLID WASTE FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

Exhibit 2-3

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,280,093	\$ 1,329,248	\$ 1,329,248	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Sales and use	1,320,000	1,132,242	1,257,028	124,786
Fees, charges, and commissions for services	175,800	183,273	188,795	5,522
Miscellaneous revenues	25,500	71,802	69,244	(2,558)
Use of money and property	9,600	27,959	26,594	(1,365)
	<u>2,810,993</u>	<u>2,744,524</u>	<u>2,870,909</u>	<u>126,385</u>
Amounts available for appropriations				
Charges to appropriations (Outflows)				
Current:				
Public works	1,872,784	1,868,352	1,903,488	(35,136)
Capital outlay	-	66,340	11,000	55,340
Transfers to other funds	-	100,117	100,117	-
	<u>1,872,784</u>	<u>2,034,809</u>	<u>2,014,605</u>	<u>20,204</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	<u>\$ 938,209</u>	<u>\$ 709,715</u>	<u>\$ 856,304</u>	<u>\$ 146,589</u>

**JACKSON PARISH POLICE JURY**  
**LIBRARY FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

Exhibit 2-4

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,637,059	\$ 3,780,576	\$ 3,780,576	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	1,500,000	1,500,000	1,285,719	(214,281)
Intergovernmental revenues:				
State funds:				
State revenue sharing	30,000	30,000	31,800	1,800
State aid grants	22,500	25,000	24,950	(50)
Fees, charges, and commissions for services	31,000	32,000	29,177	(2,823)
Miscellaneous revenues	5,500	2,950	3,319	369
Use of money and property	16,200	70,700	66,714	(3,986)
Amounts available for appropriations	<u>5,242,259</u>	<u>5,441,226</u>	<u>5,222,255</u>	<u>(218,971)</u>
Charges to appropriations (Outflows)				
Current:				
Culture and recreation	1,388,000	1,259,600	1,209,265	50,335
Capital outlay	425,000	6,500	9,448	(2,948)
Total charges to appropriations	<u>1,813,000</u>	<u>1,266,100</u>	<u>1,218,713</u>	<u>47,387</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,429,259</u>	<u>\$ 4,175,126</u>	<u>\$ 4,003,542</u>	<u>\$ (171,584)</u>

**JACKSON PARISH POLICE JURY**  
**ASPHALT FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

Exhibit 2-5

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,937,856	\$ 2,015,291	\$ 2,015,291	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	988,000	1,001,413	912,141	(89,272)
Intergovernmental revenues:				
State funds:				
State revenue sharing	18,900	18,765	19,486	721
Miscellaneous revenues	1,200	1,481	1,481	-
Use of money and property	26,400	63,717	61,262	(2,455)
Amounts available for appropriations	<u>2,972,356</u>	<u>3,100,667</u>	<u>3,009,661</u>	<u>(91,006)</u>
Charges to appropriations (Outflows)				
Current:				
Public works	905,006	872,602	817,157	55,445
Capital outlay	140,000	137,401	137,401	-
Transfers to other funds	170,000	232,978	232,978	-
Total charges to appropriations	<u>1,215,006</u>	<u>1,242,981</u>	<u>1,187,536</u>	<u>55,445</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,757,350</u>	<u>\$ 1,857,686</u>	<u>\$ 1,822,125</u>	<u>\$ (35,561)</u>

Jackson Parish Police Jury

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

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 reappropriated 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, 2019, budgets were adopted for the general fund and all special revenue funds.

**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 modified accrual 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 5% or more and/or expenditures within a fund are expected to exceed budgeted expenditures by 5% or more.

B. UNFAVORABLE BUDGET VARIANCE

The following funds had actual appropriations exceed budgeted appropriations:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	\$ 3,060,068	\$ 3,085,371	\$ (25,303)

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

**Jackson Parish Police Jury**

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

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

	<u>General</u>	<u>Road</u>	<u>Solid Waste</u>	<u>Library</u>	<u>Asphalt</u>
<b><u>Sources/inflows of resources:</u></b>					
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule.	\$ 4,860,606	\$ 5,803,931	\$ 2,870,909	\$ 5,222,255	\$ 3,009,661
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(2,629,181)	(3,347,815)	(1,329,248)	(3,780,576)	(2,015,291)
Transfers from other funds, issuance of debt and insurance proceeds are classified as revenue for budgetary purposes but are not revenues for financial reporting.	<u>(95,116)</u>	<u>(1,021,651)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,136,309</u>	<u>\$ 1,434,465</u>	<u>\$ 1,541,661</u>	<u>\$ 1,441,679</u>	<u>\$ 994,370</u>
<b><u>Uses/Outflows of resources:</u></b>					
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule.	\$ 3,085,371	\$ 2,771,091	\$ 2,014,605	\$ 1,218,713	\$ 1,187,536
Transfers to other funds classified as expenditures for budgetary purposes and as an operating transfer for financial reporting.	<u>(147,339)</u>	<u>-</u>	<u>(100,117)</u>	<u>-</u>	<u>(232,978)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,938,032</u>	<u>\$ 2,771,091</u>	<u>\$ 1,914,488</u>	<u>\$ 1,218,713</u>	<u>\$ 954,558</u>

**SUPPLEMENTARY INFORMATION**

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



**JACKSON PARISH POLICE JURY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**December 31, 2019**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 1,340,584	\$ 343,191	\$ 267,812	\$ 1,951,587
Receivables	294,954	-	39,164	334,118
<b>TOTAL ASSETS</b>	<u>1,635,538</u>	<u>343,191</u>	<u>306,976</u>	<u>2,285,705</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries, and other payables	3,861	-	39,164	43,025
<b>TOTAL LIABILITIES</b>	<u>3,861</u>	<u>-</u>	<u>39,164</u>	<u>43,025</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue-property taxes	6,936	-	-	6,936
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>6,936</u>	<u>-</u>	<u>-</u>	<u>6,936</u>
<b>Fund balances:</b>				
Restricted	1,624,741	343,191	260,000	2,227,932
Committed	-	-	7,812	7,812
<b>TOTAL FUND BALANCES</b>	<u>1,624,741</u>	<u>343,191</u>	<u>267,812</u>	<u>2,235,744</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 1,635,538</u>	<u>\$ 343,191</u>	<u>\$ 306,976</u>	<u>\$ 2,285,705</u>

JACKSON 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, 2019

Exhibit 4

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local Sources:				
Taxes:				
Ad valorem	\$ 160,377	\$ -	\$ -	\$ 160,377
Sales and use	838,019	-	-	838,019
Intergovernmental revenues:				
State funds:				
State aid grants	27,775	-	-	27,775
Federal revenue	-	-	287,202	287,202
Miscellaneous revenues	260	-	37,640	37,900
Use of money and property	27,514	-	-	27,514
	<u>1,053,945</u>	<u>-</u>	<u>324,842</u>	<u>1,378,787</u>
TOTAL REVENUES				
EXPENDITURES				
Current:				
Public works	12,326	-	324,842	337,168
Health and welfare	120,217	-	-	120,217
Culture and recreation	15,001	-	-	15,001
Capital outlay	-	-	357,486	357,486
Debt service:				
Principal retirement	-	285,000	-	285,000
Interest and bank charges	-	34,685	-	34,685
	<u>147,544</u>	<u>319,685</u>	<u>682,328</u>	<u>1,149,557</u>
TOTAL EXPENDITURES				
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>906,401</u>	<u>(319,685)</u>	<u>(357,486)</u>	<u>229,230</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	100,117	319,685	147,339	567,141
Transfers out	(1,106,309)	-	-	(1,106,309)
	<u>(1,006,192)</u>	<u>319,685</u>	<u>147,339</u>	<u>(539,168)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(99,791)	-	(210,147)	(309,938)
FUND BALANCES - BEGINNING	<u>1,724,532</u>	<u>343,191</u>	<u>477,959</u>	<u>2,545,682</u>
FUND BALANCES - ENDING	<u>\$ 1,624,741</u>	<u>\$ 343,191</u>	<u>\$ 267,812</u>	<u>\$ 2,235,744</u>

**Jackson Parish Police Jury**

**NONMAJOR SPECIAL REVENUE FUNDS**

**HEALTH UNIT**

The health unit fund accounts for a portion of the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax, miscellaneous revenues, and interest earned on investments.

**LANDFILL CLOSURE**

The landfill closure fund accounts for estimated closure cost and post-closure care expenses of the parish landfill site. Financing is provided by contributions and interest on investments.

**TOURISM**

The tourism fund accounts for promoting tourism in the parish. Financing is provided by a hotel/motel tax and interest earned on investments.

**ROAD SALES TAX**

The road sales tax fund accounts for the blacktopping and sealing of parish roads financed by a parish-wide sales tax and interest earned on investments.

JACKSON PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Balance Sheet  
 December 31, 2019

Exhibit 5

	HEALTH UNIT	LANDFILL CLOSURE	TOURISM	ROAD SALES TAX	TOTAL
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 326,891	\$ 689,953	\$ 118,613	\$ 205,127	\$ 1,340,584
Receivables	152,703	-	-	142,251	294,954
<b>TOTAL ASSETS</b>	<b>479,594</b>	<b>689,953</b>	<b>118,613</b>	<b>347,378</b>	<b>1,635,538</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts, salaries, and other payables	3,594	-	267	-	3,861
<b>TOTAL LIABILITIES</b>	<b>3,594</b>	<b>-</b>	<b>267</b>	<b>-</b>	<b>3,861</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue-property taxes	6,936	-	-	-	6,936
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,936</b>
<b>Fund balances:</b>					
Restricted	469,064	689,953	118,346	347,378	1,624,741
<b>TOTAL FUND BALANCES</b>	<b>469,064</b>	<b>689,953</b>	<b>118,346</b>	<b>347,378</b>	<b>1,624,741</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 479,594</b>	<b>\$ 689,953</b>	<b>\$ 118,613</b>	<b>\$ 347,378</b>	<b>\$ 1,635,538</b>

**JACKSON PARISH POLICE JURY**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 2019**

Exhibit 6

	<u>HEALTH UNIT</u>	<u>LANDFILL CLOSURE</u>	<u>TOURISM</u>	<u>ROAD SALES TAX</u>	<u>TOTAL</u>
REVENUES					
Local Sources:					
Taxes:					
Ad valorem	\$ 160,377	\$ -	\$ -	\$ -	\$ 160,377
Sales and use	-	-	-	838,019	838,019
Intergovernmental revenues:					
State funds:					
State aid grants	-	-	27,775	-	27,775
Miscellaneous revenues	260	-	-	-	260
Use of money and property	9,516	15,320	2,678	-	27,514
TOTAL REVENUES	<u>170,153</u>	<u>15,320</u>	<u>30,453</u>	<u>838,019</u>	<u>1,053,945</u>
EXPENDITURES					
Current:					
Public works	-	-	-	12,326	12,326
Health and welfare	120,217	-	-	-	120,217
Culture and recreation	-	-	15,001	-	15,001
TOTAL EXPENDITURES	<u>120,217</u>	<u>-</u>	<u>15,001</u>	<u>12,326</u>	<u>147,544</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>49,936</u>	<u>15,320</u>	<u>15,452</u>	<u>825,693</u>	<u>906,401</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	100,117	-	-	100,117
Transfers out	-	-	-	(1,106,309)	(1,106,309)
Total Other Financing Sources (Uses)	<u>-</u>	<u>100,117</u>	<u>-</u>	<u>(1,106,309)</u>	<u>(1,006,192)</u>
Net Change in Fund Balances	49,936	115,437	15,452	(280,616)	(99,791)
FUND BALANCES - BEGINNING	<u>419,128</u>	<u>574,516</u>	<u>102,894</u>	<u>627,994</u>	<u>1,724,532</u>
FUND BALANCES - ENDING	<u>\$ 469,064</u>	<u>\$ 689,953</u>	<u>\$ 118,346</u>	<u>\$ 347,378</u>	<u>\$ 1,624,741</u>

**Jackson Parish Police Jury**

**NONMAJOR CAPITAL PROJECT FUNDS**

**CAPITAL FUND**

This fund accounts for capital improvements as well as significant repairs and maintenance throughout Jackson Parish.

**LCDBG**

The fund accounts for capital improvements that are funded by the Louisiana Community Development Block Grant (LCDBG) within Jackson Parish.

**PAVILION / RIDING ARENA**

The Pavilion/Riding area fund accounts for the Police Jury's commitment, as outlined in the Cooperative Endeavor Agreement with the Jackson Recreation District Board and Louisiana Division of Administration, to provide dirt work, clearing and grubbing and construction of the parking lot for the Jackson Parish Riding Arena and Livestock Pavilion.

JACKSON PARISH POLICE JURY

NONMAJOR CAPITAL PROJECT FUNDS  
 Combining Balance Sheet  
 December 31, 2019

Exhibit 7

	CAPITAL FUND	LCDBG	PAVILION/ RIDING ARENA	TOTAL
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 7,802	\$ 10	\$ 260,000	\$ 267,812
Investments	-	-	-	-
Receivables	-	39,164	-	39,164
Interfund receivables	-	-	-	-
Prepaid items	-	-	-	-
<b>TOTAL ASSETS</b>	<b>7,802</b>	<b>39,174</b>	<b>260,000</b>	<b>306,976</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	-	39,164	-	39,164
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>39,164</b>	<b>-</b>	<b>39,164</b>
<b>Fund balances:</b>				
Restricted	-	-	260,000	260,000
Committed	7,802	10	-	7,812
<b>TOTAL FUND BALANCES</b>	<b>7,802</b>	<b>10</b>	<b>260,000</b>	<b>267,812</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 7,802</b>	<b>\$ 39,174</b>	<b>\$ 260,000</b>	<b>\$ 306,976</b>

JACKSON PARISH POLICE JURY

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

Exhibit 8

	CAPITAL FUND	LCDBG	PAVILION/ RIDING ARENA	TOTAL
REVENUES				
Intergovernmental revenues:				
Federal revenue	\$ -	\$ 287,202	\$ -	\$ 287,202
Miscellaneous revenues	-	37,640	-	37,640
TOTAL REVENUES	-	324,842	-	324,842
EXPENDITURES				
Current:				
Public works	-	324,842	-	324,842
Capital outlay	357,486	-	-	357,486
TOTAL EXPENDITURES	357,486	324,842	-	682,328
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(357,486)	-	-	(357,486)
OTHER FINANCING SOURCES (USES)				
Transfers in	146,623	-	716	147,339
Total Other Financing Sources (Uses)	146,623	-	716	147,339
Net Change in Fund Balances	(210,863)	-	716	(210,147)
FUND BALANCES - BEGINNING	218,665	10	259,284	477,959
FUND BALANCES - ENDING	\$ 7,802	\$ 10	\$ 260,000	\$ 267,812



Jackson Parish Police Jury

Schedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 2019

**COMPENSATION PAID POLICE JURORS** 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 Jackson Parish Police Jury members is included in the general administrative expenditures of the general fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:1233.

John McCarty, President	\$ 16,089
Amy Magee, Vice President	14,400
Todd Culpepper	14,400
Eddie Langston	14,400
Tarneshala Cowans	14,400
Regina Rowe	14,511
Lynn Treadway	14,400
Total	<u>\$ 102,600</u>

Jackson Parish Police Jury

**Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2019**

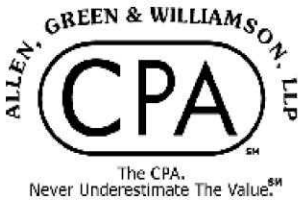
Agency Head Name: Gina Thomas, Secretary-Treasurer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 77,051
Benefits-insurance	23,952
Benefits-retirement	8,861
Benefits-medicare	2,235
Reimbursments	338
Travel	1,003
Registration fees	1,675
Conference travel	2,050
	<u>\$ 117,165</u>

**OTHER REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

The report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States of America. The section of the report on compliance is based solely on the audit of the financial statements and presents, where applicable, compliance matters that would be material to the financial statements. The section of the report on internal control over financial reporting is, likewise, based solely on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses.

# ALLEN, GREEN & WILLIAMSON, LLP



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Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## 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

Police Jurors  
Jackson Parish Police Jury  
Jonesboro, 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Parish Police Jury as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated September 30, 2020. We issued an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.

### **Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

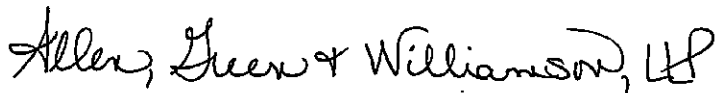
As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2019-001.

### **The Police Jury's Response to Findings**

The Police Jury's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses and Corrective Action Plan for Current Year Findings and Responses. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
September 30, 2020

**Jackson Parish Police Jury  
Schedule of Findings and Responses  
For the Year Ended December 31, 2019**

**PART I - Summary of the Auditor's Results**

**Financial Statement Audit**

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.
- ii. There was one significant deficiency required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America. We did not consider the significant deficiency to be a material weakness.
- iii. There was one instance of noncompliance considered material to the financial statements, as defined by the *Government Auditing Standards*.

**Jackson Parish Police Jury  
Schedule of Findings and Responses  
For the Year Ended December 31, 2019**

**PART II – Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards* generally accepted in the United States of America:**

**Reference # and title:** 2019-001      Road Program

**Entity-wide or program/department specific:** This finding is related to the road program.

**Criteria or specific requirement:** The Louisiana Parish Transportation Act covered under LSA R.S. 48:753 states “each parish and municipal governing authority shall make a determination of whether a road, or portion thereof, within their respective road systems, meets the definition of a public road for the purpose of the parish transportation system”. The statute also defines a public road as “any road, or portion thereof, dedicated as a public road and/or accepted for maintenance by a parish or municipal governing authority, or constructed or maintained for an uninterrupted period of three years, by a parish or municipal governing authority, provided such road, or portion thereof, serves a public purpose that is in the best interest of the parish or municipality and their respective road systems.

**Condition found:** Through road observations, review of Jury minutes and discussions with management the following issue was noted:

- The Police Jury has not followed through with its 2018 corrective action plan to clear the prior year finding. Several roads that do not appear to meet the definition of a public road have not been removed from the road listing.

**Context:** The exception above was noted in testing compliance with the Louisiana Parish Transportation Act and with the Policy Jury’s Road Capital Improvement Program and appears to be systemic.

**Possible asserted effect (cause and effect):**

**Cause:** The Police Jury has not implemented its 2018 corrective action plan and has not removed roads that do not meet a public purpose.

**Effect:** Police Jury may have expended funds on roads that do not serve a public purpose.

**Recommendation to prevent future occurrences:** The Police Jury should follow its policies and procedures established for the Road Program. The Police Jury should add to its existing policy a clear and decisive criteria for the definition of a “public purpose” as it relates to its road program. This criteria should be in sufficient detail that would eliminate any personal or political influences for maintaining roads that don’t serve a public purpose. A public hearing should be held and all roads not meeting the definition of a “public road” should be removed from the parish road listing. Requests for additions/deletions to the parish road listing should be evaluated by the Road Department for compliance with the Jury’s road program’s policies and procedures before seeking written approval from the parish road engineer.

**Origination date and prior year reference (if applicable):** This finding originated fiscal year ended December 31, 2017.

**View of responsible official:** However, at the beginning of 2020, the Operations Committee began the process of determining a definition of a “public purpose” as it relates to its road program. They worked with the Parish Attorney and developed and recommend a policy for the Revocation of Public Roads which was adopted by the Police Jury in May 2020. It was determined by the Parish Attorney that the Jackson Parish Police Jury does not have to “define” a public road, but they need to have a policy for road removals and they need to review roads that do not appear to serve a public purpose. This policy dictates that “the Parish Engineer shall, at the request of the President of the Jury or the appropriate committee, review a road(s) within the Parish Road System for possible

**Jackson Parish Police Jury  
Schedule of Findings and Responses  
For the Year Ended December 31, 2019**

**PART II – Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards* generally accepted in the United States of America:**

removal from the system. The Parish Engineer shall provide a report to the designated committee as to each road reviewed. The report shall include any information believed pertinent by the engineer. However, the report shall include: (1) color printout of the tax assessor's ARK GIS system depicting the road and the surrounding land ownership; (2) tax assessment for each landowner with property that appears to be adjacent to the subject road or that in the engineer's opinion may be affected by the abandonment of the subject road; (3) the number of houses or businesses being serviced by the subject road; (4) the estimated cost to maintain the subject road; and (5) any other matter as may be requested by the committee."

In June 2020 the Operations Committee then requested the Parish Engineer to review the Parish Road System and present the detailed reports for roads that (1) have been requested for removal by a property owner; (2) have one landowner on all three sides; and (3) have road maintenance extending beyond the property line. Due to the time commitment to complete this task as well as impacts from the Coronavirus pandemic, the first of these reports was not brought to the Committee for their review until September 2020.

The Committee should continue to review the presented roads in relation to the Revocation of Public Roads Policy and the Transportation Act and should submit the roads that do not appear to serve a public purpose to the Jury. The Jury should follow the Revocation of Public Roads Policy and hold a public hearing for these roads and remove those roads that are found not serving the public. Any road from this list that is not removed should have documentation as to why it serves a public purpose.

The Jury should continue this process until all requested reports provided by the Parish Engineer have been reviewed and a determination made.



**OTHER INFORMATION**



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## Summary Schedule of Prior Year Audit Findings and Responses For the Year Ended December 31, 2019

**Reference # and title:**                    2018-001                    Road Program

**Entity-wide or program/department specific:** This finding is entity wide.

**Condition:** The Louisiana Parish Transportation Act covered under LSA R.S. 48:753 states “each parish and municipal governing authority shall make a determination of whether a road, or portion thereof, within their respective road systems, meets the definition of a public road for the purpose of the parish transportation system”. The statute also defines a public road as “any road, or portion thereof, dedicated as a public road and/or accepted for maintenance by a parish or municipal governing authority, or constructed or maintained for an uninterrupted period of three years, by a parish or municipal governing authority, provided such road, or portion thereof, serves a public purpose that is in the best interest of the parish or municipality and their respective road systems.

Through road observations, review of Jury minutes and discussions with management the following issues were noted:

- Several roads that do not appear to meet the definition of a public road have not been removed from the road listing.
- Roads that were deemed “nonpublic” were added back to the listing because of outside pressures.
- Requests for additions and/or changes to the Road Priority Listing were made directly to the parish engineer instead of the Road Department in accordance with the Jury’s policy and procedures.

**Corrective action planned:** See current year finding 2019-001.

Respectively Submitted,

Gina Thomas, Secretary/Treasurer



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## Corrective Action Plan for Current Year Findings and Responses For the Year ended December 31, 2019

**Reference # and title:** 2019-001      Road Program

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**Entity-wide or program/department specific:** This finding is related to the road program.

**Condition:** The Louisiana Parish Transportation Act covered under LSA R.S. 48:753 states “each parish and municipal governing authority shall make a determination of whether a road, or portion thereof, within their respective road systems, meets the definition of a public road for the purpose of the parish transportation system”. The statute also defines a public road as “any road, or portion thereof, dedicated as a public road and/or accepted for maintenance by a parish or municipal governing authority, or constructed or maintained for an uninterrupted period of three years, by a parish or municipal governing authority, provided such road, or portion thereof, serves a public purpose that is in the best interest of the parish or municipality and their respective road systems.

Through road observations, review of Jury minutes and discussions with management the following issue was noted:

- The Police Jury has not followed through with its 2018 corrective action plan to clear the prior year finding. Several roads that do not appear to meet the definition of a public road have not been removed from the road listing.

**Corrective action planned:** The Jury will continue to review the road system in relation to the Revocation of Public Roads Policy and the Transportation Act and follow their policies to remove those roads that are found not serving the public.

**Person responsible for corrective action:**

Gina Thomas  
Jackson Parish Police Jury  
500 East Court Street, Room 301  
Jonesboro, LA 71051

Telephone: (318) 259-2361  
Fax: (318) 259-5660

**Anticipated completion date:** December 31, 2021

Respectively Submitted,

Gina Thomas, Secretary/Treasurer

# ALLEN, GREEN & WILLIAMSON, LLP



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Austin Hogue, CPA  
Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## Management Letter

Police Jurors  
Jackson Parish Police Jury  
Jonesboro, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate fund information of the Jackson Parish Police Jury, for the year ended December 31, 2019, we considered the Police Jury's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted a certain matter involving internal control that is presented for your consideration. This letter does not affect our report dated September 30, 2020, on the financial statements of the Police Jury. We will review the status of this comment during our next audit engagement. Our comment and recommendation, which has been discussed with appropriate members of management, is intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comments and management's response are summarized as follows:

### **2019-M001**                      **Internal Controls over Financial Close Process**

**Comment:** The original trial balances provided to the auditor were out of balance due to an error in the accounting software for posting accounts receivable.

In testing accounts receivable it was noted that the Police Jury did not accrue a deposit received for sales tax received in February 2020 that was related to 2019 fiscal year end. In addition, three cost reimbursement funds had balance sheet accounts that were not valid and required journal entries to correct.

The Police Jury did not make the entry to record wages payable.

**Recommendation:** The Police Jury should establish procedures over financial close process to ensure that ending balances are valid, complete and accurate for financial reporting.

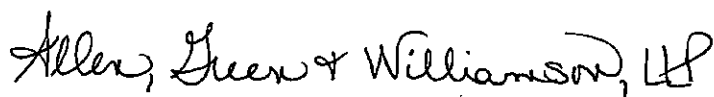
**Management's response:** The Police Jury has worked with the software provider on modifications to the automated accrual system. If the software provider is unable to modify the accrual system for proper functionality, the Police Jury will establish new procedures for manual journal entries to account for the accrued accounts receivable transactions.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Police Jury, as of and for the year ended December 31, 2019, which collectively comprise the Police Jury primary government's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's response to our current year management letter item. We have performed no audit work to verify the content of the responses.

Included immediately following this letter is a Status of Prior Management Letter Item. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior management letter item and performed procedures to assess the reasonableness of the Status of Prior Management Letter Item prepared by Management, and we would report, as a current-year management letter item when Allen, Green & Williamson, LLP, concludes that the Status of Prior Management Letter Item materially misrepresents the status of any prior management letter item.

This report is intended solely for the information and use of the Police Jury, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

A handwritten signature in black ink that reads "Allen, Green & Williamson, LLP". The signature is written in a cursive, flowing style.

Allen, Green & Williamson, LLP

Monroe, Louisiana  
September 30, 2020





# JACKSON PARISH POLICE JURY

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## Status of Prior Year Management Letter Item

2018-M001

Accounting and Financial Reporting

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**Comment:** Two sets of books are being kept for the Library. One at the Police Jury that accounts only for the ad valorem revenues and expenses. The second set maintained at the Library commingles special funds along with ad valorem revenues and expenses. In reviewing the two trial balances, it was noted that the Library's records for ad valorem did not agree to the Police Jury's. Due to this discrepancy in the two sets of accounting records, the Library is not producing accurate financial information to its Board during the year. An audit adjustment was required to correct the beginning fund balance related to prior year cash to accrual entries that were not made by the library.

The Library's capital asset additions included amounts for building repairs that did not extend the life of the building.

In performing the search for unrecorded liabilities, an exception was noted for a road construction invoice not being recorded in the appropriate reporting period.

The Police Jury updated their software program during the year. Due to lack of knowledge on how the software processes year end accruals, bank reconciliations were updated several times after the initial preparation in which the final reconciliation contained noncash reconciling items that required balance sheet adjustments. The Police Jury was also late in paying state withholding liabilities due to a misunderstanding by the payroll clerk on how these liabilities were to be paid under the new accounting system. In addition, the software conversion did not produce a reliable capital asset depreciation schedule. The schedule had to be manually converted to excel which delayed the Police in providing the schedule to the auditor.

**Recommendation:** The Police Jury should establish monitoring procedures to ensure adequate internal controls over accounting are being followed. The Police Jury should maintain only one set of accounting records for the library. This can be accomplished by adding the special funds to the Police Jury's general ledger or by the Library removing the ad valorem revenues and expenditures from their accounting records. Only expenses that extend the life of an existing building on the depreciation schedule should be capitalized. The Police Jury should perform a careful review of invoices paid after year end to ensure they are reported in appropriate accounting period.

**Status of Prior Year Management Letter Item (continued)**

**Management's response:** The Secretary-Treasurer of the Police Jury has met with the Library Director and Business Manager and have begun the process of integrating the Library Special Funds into the Police Jury's financial system in order to eliminate the need for keeping two sets of books. In the interim as the special funds account is being considered, the Business Manager now enters invoices directly into the financial system and no longer accounts for them in a separate system. The Library has been notified about the appropriate capitalization procedures.

Additional procedures have been built into the Accounts Payable process to ensure a more thorough review of year-end expenses.

The Police Jury has contracted with a local CPA firm that will take over the processing of payroll and all associated billing and reporting. This will ensure timely and appropriate filings and payments.

As the Police Jury staff has become more proficient with the updated software, the understanding of reporting and processes has increased and more timely and accurate reporting will be available in subsequent years. Through the use of the software support portal, the Police Jury has also made requests and recommendations for upgrades and enhancements to the software that are being considered for future updates

See current year management letter 2019-M001 for the matters related to internal controls over financial close processes. Other items are considered cleared.

Respectively Submitted,

A handwritten signature in blue ink that reads "Gina M. Thomas". The signature is written in a cursive, flowing style.

Gina Thomas, Secretary/Treasurer

**Jackson Parish School Board**

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**AGREED-UPON PROCEDURES**



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Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## Independent Accountant's Report On Applying Statewide Agreed-Upon Procedures

Police Jurors  
Jackson Parish Police Jury  
Jonesboro, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Jackson Parish Police Jury, Jonesboro, Louisiana, and the Louisiana Legislative Auditor (LLA), on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year ended December 31, 2019. The Police Jury's management is responsible for the control and compliance areas identified in these Statewide Agreed-Upon Procedures. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) ***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.

**Comment:** There were no exceptions noted as a result of applying agreed upon procedures.

### ***Bank Reconciliations***

---

2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Comment:** The September bank reconciliations for the Police Jury's Master Account Fund, Federal Programs Fund, Court/Witness Fund, Library Special Fund and March reconciliation for Police Jury's Payroll Fund were included in this procedure.

Two accounts had an exception where the bank reconciliation did not include evidence that a member of management / jury member who does not handle cash, post ledgers, or issue checks has reviewed the bank reconciliation. One exception in which documentation did not exist at the time of reconciliation which reflected that any outstanding items older than 12 months from the statement closing date had been investigated by management.

**Management's Response:** Due to limitations in staffing, the same employee may handle a portion of the transactions involved in preparing payments, recording transactions, or signing checks. In order to achieve proper checks and balances, the deposit process is divided into three steps by having one employee prepare the payments and accounts, one employee prepares the deposit ticket and delivers to the bank, and another employee records the transaction in the financial system. Two employees review and sign off on the monthly bank reconciliations.

In coordination with the Clerk of Court's Office, the Police Jury Office worked to research and document outstanding Court/Witness Fund checks older than 12 months and these items have been cleared as of August 2020.

### ***Collections (excluding EFTs)***

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3. 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).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) 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).
  - e) Trace the actual deposit per the bank statement to the general ledger.

**Comment:** The Police Jury Main Building, Library Central Office and Chatham Library Branch collection locations were included in this agreed upon procedure.

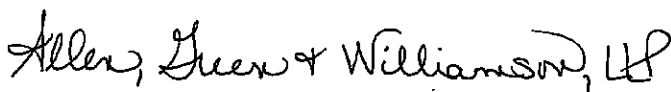
Staff at all three locations either have access to cash collections or share cash drawers. Both the Library Central Office and Chatham Library Branch had an employee who collects cash is also responsible for reconciling and /or recording the deposit.

**Management’s Response:** The Police Jury does not have adequate staffing to support separation of duties at the cash collection level. Instead, additional controls and separation of duties are built into the preparation and processing of the daily deposits, manual review of the cash collection receipt book, and preparation and approval of the monthly bank reconciliations. The Library is encouraged to separate the duties of the Business Manager for the preparation, deposit, and reconciliation of cash collections. While all Library employees share a single cash drawer at each location, the amounts collected are minimal.

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We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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



Allen, Green & Williamson, LLP

Monroe, Louisiana  
September 30, 2020