

**RED RIVER PARISH POLICE JURY  
COUSHATTA, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2019**



Postlethwaite & Netterville

A Professional Accounting Corporation

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**RED RIVER PARISH POLICE JURY  
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FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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## INDEPENDENT AUDITORS' REPORT

Red River Parish Police Jury  
Coushatta, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury), as of and for the year ended December 31, 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.

### Auditors' Responsibility

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

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

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



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

The financial statements referred to above do not include financial data for the Police Jury's legally separate discretely presented component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The impact on these financial statements is unknown.

### **Adverse Opinion**

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 10, the Budgetary Comparison Schedules on pages 50 to 56, the Schedule of Changes in Total Other Post-Employment Liability and Related Ratios on page 57, the Schedule of Proportionate Share of the Net Pension Liability – Cost-Sharing Plans on page 58, and the Schedule of Contributions – Cost-Sharing Plans and the related notes on page 59 to 60, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The accompanying Schedule of Compensation Paid to Police Jurors and the Schedule of Compensation Paid to Head of Police Jury are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation Paid to Police Jurors and the Schedule of Compensation Paid to Head of Police Jury are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the primary government basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion based on our audit, and the procedures performed as described above, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2020 on our consideration of the Red River Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Red River Parish Police Jury's internal control over financial reporting and compliance.



Baton Rouge, Louisiana  
June 30, 2020



RED RIVER PARISH POLICE JURY  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019

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

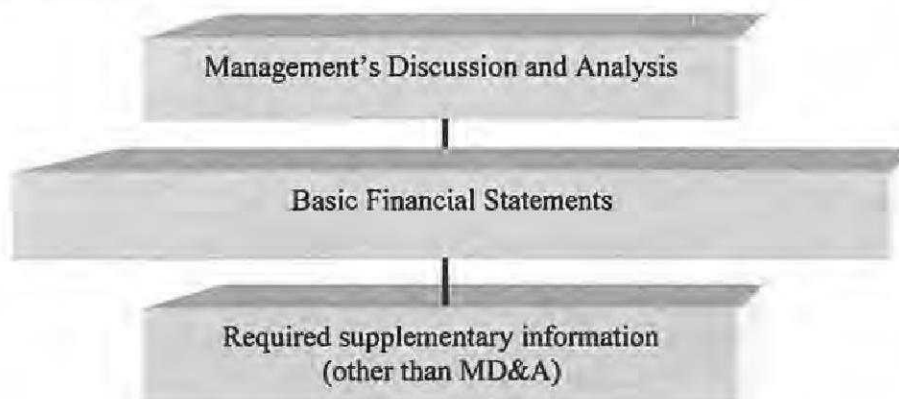
Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts.

### FINANCIAL HIGHLIGHTS

- ★ Assets and deferred outflows of resources of the Police Jury's governmental activities exceeded its liabilities and deferred inflows of resources on December 31, 2019 by approximately \$63 million (net position). Of this amount, approximately \$32.8 million (unrestricted net position) may be used to meet ongoing obligations to our creditors.
- ★ Net position of the governmental activities increased by approximately \$3.1 million.
- ★ As of December 31, 2019, the governmental funds reported combined ending fund balances of approximately \$53.2 million, an increase of approximately \$4.8 million in comparison with the prior year. Approximately 24.9% of this total amount, \$13.2 million is available for spending at the Police Jury's discretion (unassigned fund balance of the General Fund).

### OVERVIEW OF THE FINANCIAL STATEMENTS

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



RED RIVER PARISH POLICE JURY  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

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

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

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

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

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

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

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

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

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**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

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

**FINANCIAL ANALYSIS OF THE ENTITY**

Condensed Statements of Net Position  
For the Years Ended December 31, 2019 and 2018

	Governmental Activities		Business-Type Activities	
	2019	2018	2019	2018
<b>Assets</b>				
Current and other assets	\$ 53,890,069	\$ 49,007,944	\$ 96,054	\$ 116,741
Net pension asset	-	172,269	-	-
Capital assets, net	10,474,578	11,981,332	326,576	400,678
Total assets	64,364,647	61,161,545	422,630	517,419
Deferred outflows of resources	1,049,726	420,812	-	-
<b>Liabilities</b>				
Current liabilities	568,032	549,556	3,590	3,433
Long-term liabilities	2,075,848	942,199	-	-
Total liabilities	2,643,880	1,491,755	3,590	3,433
Deferred inflows of resources	199,855	620,276	-	-
<b>Net position</b>				
Net investment in capital asset	10,474,578	11,981,332	326,576	400,678
Restricted	19,420,270	18,948,477	-	-
Unrestricted	32,675,790	28,540,517	92,464	113,308
Total net position	\$ 62,570,638	\$ 59,470,326	\$ 419,040	\$ 513,986

- Approximately 17% of the Police Jury's governmental activities net position and 78% of the Police Jury's business-type activities as of December 31, 2019 reflects investments in capital assets (land, buildings, infrastructure, machinery and equipment). The Police Jury uses these assets to provide services to the public consequently these assets are not available for future spending.
- Another 31% of the Police Jury's governmental activities net position is subject to external restrictions.

RED RIVER PARISH POLICE JURY  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**FINANCIAL ANALYSIS OF THE ENTITY (continued)**

- Another 52% of governmental activities net position is unrestricted, and may be used to meet ongoing obligations of the Police Jury to citizens and creditors.

Condensed Statements of Activities  
For the Years Ended December 31, 2019 and 2018

	Governmental Activities		Business-Type Activities	
	2019	2018	2019	2018
<b>Revenues</b>				
Program revenues				
Charges for services	\$ 750,986	\$ 707,845	\$ 25,554	\$ 26,977
Operating and Capital grants and contributions	657,672	738,611	-	-
General revenues				
Ad Valorem taxes	3,444,363	3,442,131	-	-
Sales and use taxes	3,747,482	3,422,577	-	-
Severance tax	1,188,362	1,208,992	-	-
Other tax	392,277	335,058	-	-
Other general revenues	1,463,463	613,755	50,000	50,000
	<u>11,644,605</u>	<u>10,468,969</u>	<u>75,554</u>	<u>76,977</u>
<b>Expenses</b>				
General government	2,024,354	1,620,661	-	-
Public safety	1,608,952	1,646,536	-	-
Public works	3,763,401	3,691,658	-	-
Health and welfare	577,983	497,854	-	-
Recreation and culture	569,603	512,999	-	-
Sewer	-	-	170,500	154,703
	<u>8,544,293</u>	<u>7,969,708</u>	<u>170,500</u>	<u>154,703</u>
<b>Excess of revenues over (under) expenses</b>	<u>\$ 3,100,312</u>	<u>\$ 2,499,261</u>	<u>\$ (94,946)</u>	<u>\$ (77,726)</u>

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

RED RIVER PARISH POLICE JURY  
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**FINANCIAL ANALYSIS OF THE POLICE JURY'S FUNDS**

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

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

The general fund is the chief operating fund of the Police Jury. At the end of the current fiscal year, unassigned fund balance of the general fund was approximately \$13.2 million. Total fund balance of the General Fund increased approximately \$1.7 million during 2019.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The Police Jury's capital assets as of December 31, 2019, total \$10.8 million (net of accumulated depreciation) in Governmental Activities and Business-Type Activities. These assets are invested in a broad range of capital assets (see table below). These amounts represent a net decrease (including additions, prior period restatements, and retirements) of approximately 13% from the previous year. The major additions include the purchase of equipment for Unit 1 Road Fund and street improvements.

Capital Assets at Year End  
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 497,849	\$ 497,849	\$ -	\$ -
Construction in progress	-	561,880	-	-
Buildings and building improvements	3,681,934	3,861,164	-	-
Streets, parking lots, and other improvements	5,161,331	6,138,709	-	-
Sewer system	-	-	326,577	400,678
Furniture, equipment, and vehicles	1,019,844	817,145	-	-
Books and informational materials	<u>113,620</u>	<u>104,585</u>	-	-
Total	<u>\$ 10,474,578</u>	<u>\$ 11,981,332</u>	<u>\$ 326,577</u>	<u>\$ 400,678</u>



RED RIVER PARISH POLICE JURY  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019

**CAPITAL ASSET AND DEBT ADMINISTRATION (continued)**

Following is the cost of certain additions for the Red River Parish Police Jury during the year ended December 31, 2019:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Buildings and building improvements	\$ 22,649	\$ -
Furniture, equipment, and vehicles	517,683	-
Books and informational materials	30,135	-
Total	<u>\$ 570,467</u>	<u>\$ -</u>

**Debt**

The Red River Parish Police Jury had \$85,553 in long-term liabilities payable for Governmental Activities, outstanding at year end compared to \$102,006 at the previous year end, a decrease of approximately \$16,400 or 16%. The decrease is mainly attributable to repayment of the note payable to FEMA.

Outstanding Debt at Year End

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Compensated absences payable	\$ 85,553	\$ 78,719	\$ -	\$ -
Notes payable to FEMA	-	23,287	-	-
Total	<u>\$ 85,553</u>	<u>\$ 102,006</u>	<u>\$ -</u>	<u>\$ -</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

Original and Final Amended Budget Comparison - General Fund

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Difference</u>
Revenue and other financing sources	\$ 2,636,550	\$ 3,196,891	\$ 560,341
Expenditures and other financing uses	( 1,811,843)	( 1,777,650)	34,193
Net revenues	<u>\$ 824,707</u>	<u>\$ 1,419,241</u>	<u>\$ 594,534</u>

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

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**GENERAL FUND BUDGETARY HIGHLIGHTS (continued)**

Final Amended Budget and Actual Results Comparison - General Fund

	Final Amended Budget	Actual Results	Difference
Revenue and other financing sources	\$ 3,196,891	\$ 3,446,552	\$ 249,661
Expenditures and other financing uses	<u>( 1,777,650)</u>	<u>( 1,716,134)</u>	<u>61,516</u>
Net revenues	<u>\$ 1,419,241</u>	<u>\$ 1,730,418</u>	<u>\$ 311,177</u>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

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

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

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

**CONTACTING THE RED RIVER PARISH POLICE JURY'S MANAGEMENT**

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

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

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	Governmental Activities	Business-Type Activities	Total
<b><u>ASSETS</u></b>			
Current assets			
Cash and cash equivalents	\$ 25,458,227	\$ 94,573	\$ 25,552,800
Investments	24,081,000	-	24,081,000
Receivables	4,326,200	1,481	4,327,681
Prepaid expense	24,642	-	24,642
Total current assets	53,890,069	96,054	53,986,123
Noncurrent assets			
Capital assets, net of accumulated depreciation	10,474,578	326,576	10,801,154
Total noncurrent assets	10,474,578	326,576	10,801,154
 Total assets	 64,364,647	 422,630	 64,787,277
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	 1,049,726	 -	 1,049,726
 <b><u>LIABILITIES</u></b>			
Current liabilities			
Accounts payable and accrued liabilities	485,896	3,590	489,486
Compensated absences payable - current	82,136	-	82,136
Other post-employment benefits payable - current	47,500	-	47,500
Total current liabilities	615,532	3,590	619,122
Noncurrent liabilities			
Compensated absences payable, net of current portion	3,417	-	3,417
Net pension liability	1,100,245	-	1,100,245
Other post-employment benefits payable - noncurrent	924,686	-	924,686
Total noncurrent liabilities	2,028,348	-	2,028,348
 Total liabilities	 2,643,880	 3,590	 2,647,470
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	 199,855	 -	 199,855
 <b><u>NET POSITION</u></b>			
Net investment in capital assets	10,474,578	326,576	10,801,154
Restricted for:			
Sales tax dedicated for the maintenance of ambulances, the costs to provide services, and tourism	5,679,002	-	5,679,002
Dedicated property taxes for library services	9,398,877	-	9,398,877
Dedicated property taxes for health unit services and construction	3,732,515	-	3,732,515
External legal constraints for juror and witness compensation	199,863	-	199,863
External legal constraints for federal and state grant programs	410,013	-	410,013
Unrestricted	32,675,790	92,464	32,768,254
Total net position	\$ 62,570,638	\$ 419,040	\$ 62,989,678

The accompanying notes are an integral part of this statement.

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

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Revenues				Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Primary Government</u>							
Governmental Activities:							
General government	\$ 2,024,354	\$ 206,368	\$ 392,378	\$ -	\$ (1,425,608)	\$ -	\$ (1,425,608)
Public safety	1,608,951	498,037	81,565	-	(1,029,349)	-	(1,029,349)
Public works	3,763,401	45,264	-	152,331	(3,565,806)	-	(3,565,806)
Health and welfare	577,983	-	-	-	(577,983)	-	(577,983)
Recreation and culture	569,603	1,317	-	-	(568,286)	-	(568,286)
Total Governmental Activities	8,544,292	750,986	473,943	152,331	(7,167,032)	-	(7,167,032)
Business-Type Activities:							
Sewer	170,500	25,554	-	-	-	(144,946)	(144,946)
Total Business-Type Activities	170,500	25,554	-	-	-	(144,946)	(144,946)
Total Primary Government	\$ 8,714,792	\$ 776,540	\$ 473,943	\$ 152,331	(7,167,032)	(144,946)	(7,311,978)
General Revenues							
Taxes:							
Ad valorem taxes					3,444,363	-	3,444,363
Sales and use taxes					3,747,482	-	3,747,482
Severance taxes					1,188,362	-	1,188,362
Other					392,277	-	392,277
License and permits					102,962	-	102,962
Gaming revenues					2,902	-	2,902
Contributions and grants not restricted					81,358	-	81,358
Interest and investment income					1,007,305	-	1,007,305
Loss on disposal of assets					(193,911)	-	(193,911)
Miscellaneous					544,244	-	544,244
Transfers (to) from other funds					(50,000)	50,000	-
Total General Revenues and Transfers					10,267,344	50,000	10,317,344
Change in Net Position					3,100,312	(94,946)	3,005,366
Net Position, Beginning of Year					59,470,326	513,986	59,984,312
Net Position, End of Year					\$ 62,570,638	\$ 419,040	\$ 62,989,678

The accompanying notes are an integral part of this statement.

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

**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**DECEMBER 31, 2019**

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit I Road Fund	Public Facilities Maintenance Fund	Other non-major Governmental Funds	Total
<b>ASSETS</b>								
Cash	\$ 7,180,091	\$ 4,062,395	\$ 2,197,553	\$ 4,630,140	\$ 2,474,928	\$ 735,749	\$ 4,177,371	\$ 25,458,227
Investments	5,247,305	5,766,863	7,473,576	3,329,721	-	2,020,000	243,535	24,081,000
Receivables	1,018,232	271,524	208,385	1,590,690	12,726	709,514	515,129	4,326,200
Prepaid expenses	6,464	-	11,158	2,438	-	4,582	-	24,642
<b>TOTAL ASSETS</b>	<b>13,452,092</b>	<b>10,100,782</b>	<b>9,890,672</b>	<b>9,552,989</b>	<b>2,487,654</b>	<b>3,469,845</b>	<b>4,936,035</b>	<b>53,890,069</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 13,452,092</b>	<b>\$ 10,100,782</b>	<b>\$ 9,890,672</b>	<b>\$ 9,552,989</b>	<b>\$ 2,487,654</b>	<b>\$ 3,469,845</b>	<b>\$ 4,936,035</b>	<b>\$ 53,890,069</b>
<b>LIABILITIES</b>								
Accounts payable and accrued expenses	\$ 176,338	\$ 303	\$ 91,181	\$ 72,336	\$ 45,470	\$ 48,044	\$ 52,224	\$ 485,896
<b>TOTAL LIABILITIES</b>	<b>176,338</b>	<b>303</b>	<b>91,181</b>	<b>72,336</b>	<b>45,470</b>	<b>48,044</b>	<b>52,224</b>	<b>485,896</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	38,534	-	-	79,338	-	42,729	41,452	202,053
<b>FUND BALANCES:</b>								
Nonspendable:								
Prepaid Expenses	6,464	-	11,158	2,438	-	4,582	-	24,642
Spendable:								
Restricted:								
Dedicated property taxes	-	-	-	9,398,877	-	-	3,732,515	13,131,392
Dedicated sales taxes	-	-	5,679,002	-	-	-	-	5,679,002
Court fees for juror and witness compensation	-	-	-	-	-	-	199,863	199,863
Federal and state grant programs	-	-	-	-	-	-	410,013	410,013
Committed:								
Criminal court costs	-	-	-	-	-	-	30,112	30,112
Ambulance services	-	-	4,109,331	-	-	-	-	4,109,331
Road maintenance and improvements	-	-	-	-	2,442,184	-	349,833	2,792,017
Public facilities maintenance	-	-	-	-	-	3,374,490	-	3,374,490
Buildings and infrastructure	-	10,100,479	-	-	-	-	-	10,100,479
Tourism	-	-	-	-	-	-	120,023	120,023
Unassigned	13,230,756	-	-	-	-	-	-	13,230,756
<b>TOTAL FUND BALANCES</b>	<b>13,237,220</b>	<b>10,100,479</b>	<b>9,799,491</b>	<b>9,401,315</b>	<b>2,442,184</b>	<b>3,379,072</b>	<b>4,842,359</b>	<b>53,202,120</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 13,452,092</b>	<b>\$ 10,100,782</b>	<b>\$ 9,890,672</b>	<b>\$ 9,552,989</b>	<b>\$ 2,487,654</b>	<b>\$ 3,469,845</b>	<b>\$ 4,936,035</b>	<b>\$ 53,890,069</b>

The accompanying notes are an integral part of this statement.

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

Total Fund Balances at December 31, 2019 - Governmental Funds	\$	53,202,120
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Amounts reported for governmental activities in the statement of net position are different due to the following:

Cost of capital assets at December 31, 2019	\$ 30,581,963		
Less: Accumulated Depreciation as of December 31, 2019	<u>(20,107,385)</u>		10,474,578
Deferred outflows at December 31, 2019 (net pension liability)			950,828
Deferred inflows at December 31, 2019 (related to post-employment benefit)			98,898
Deferred inflows at December 31, 2019 (net pension liability)			(96,099)
Deferred inflows at December 31, 2019 (related to post-employment benefit)			(103,756)
Deferred inflows at December 31, 2019 (property tax not available for accrual in fund financial statements)			202,053
Long-term liabilities at December 31, 2019:			
Compensated absences payable	(85,553)		
Net pension liability	(1,100,245)		
Total post-employment benefits payable	(972,186)		(2,157,984)
Total net position at December 31, 2019 - Governmental Activities		\$	<u>62,570,638</u>

The accompanying notes are an integral part of this statement.

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

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit 1 Road Fund	Public Facilities Maintenance Fund	Other non-major Governmental Funds	Total
<b>REVENUES</b>								
Local sources:								
Taxes								
Ad valorem taxes	\$ 781,824	\$ -	\$ -	\$ 1,561,038	\$ -	\$ 660,943	\$ 440,558	\$ 3,444,363
Sales and use taxes	-	2,498,407	1,249,075	-	-	-	-	3,747,482
Severance taxes	1,188,362	-	-	-	-	-	-	1,188,362
Royalties	367,804	-	-	-	-	-	24,473	392,277
License and permits	91,138	-	-	-	10,244	1,580	-	102,962
Gaming revenues	-	-	-	-	-	-	2,902	2,902
Fees, charges, and commissions for services	-	-	498,037	1,317	3,264	42,000	206,368	750,986
State sources:								
Parish transportation fund	-	-	-	-	148,481	-	-	148,481
State revenue sharing	14,920	-	-	17,138	-	10,419	6,946	49,423
Other	47,216	-	-	-	-	3,850	83,300	134,366
Federal grants	92,437	-	-	-	-	-	250,990	343,427
Interest and investment income	430,024	299,415	189,302	59,181	-	28,654	729	1,007,305
Miscellaneous	76,534	-	218,947	1,225	834	-	53,331	350,871
<b>TOTAL REVENUES</b>	<b>3,090,259</b>	<b>2,797,822</b>	<b>2,155,361</b>	<b>1,639,899</b>	<b>162,823</b>	<b>747,446</b>	<b>1,069,597</b>	<b>11,663,207</b>
<b>EXPENDITURES</b>								
Current:								
General government	876,569	20,485	-	-	-	-	536,124	1,433,178
Public safety	162,103	-	1,246,256	-	-	-	72,669	1,481,028
Public works	-	-	-	-	1,795,903	472,232	-	2,268,135
Health and welfare	276,969	-	-	-	-	-	273,149	550,118
Recreation and culture	-	-	-	462,042	-	-	23,924	485,966
Capital outlay	13,154	-	338,833	47,100	110,067	11,117	50,192	570,463
<b>TOTAL EXPENDITURES</b>	<b>1,328,795</b>	<b>20,485</b>	<b>1,585,089</b>	<b>509,142</b>	<b>1,905,970</b>	<b>483,349</b>	<b>956,058</b>	<b>6,788,888</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,761,464</b>	<b>\$ 2,777,337</b>	<b>\$ 570,272</b>	<b>\$ 1,130,757</b>	<b>\$ (1,743,147)</b>	<b>\$ 264,097</b>	<b>\$ 113,539</b>	<b>\$ 4,874,319</b>

(continued)



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

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit 1 Road Fund	Public Facilities Maintenance Fund	Other non-major Governmental Funds	Total
<b><u>OTHER FINANCING SOURCES (USES)</u></b>								
Transfers in	354,000	-	-	-	1,500,000	50,000	287,339	2,191,339
Transfers out	(387,339)	(1,850,000)	-	(4,000)	-	-	-	(2,241,339)
TOTAL OTHER FINANCING SOURCES (USES)	(33,339)	(1,850,000)	-	(4,000)	1,500,000	50,000	287,339	(50,000)
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u></b>	1,728,125	927,337	570,272	1,126,757	(243,147)	314,097	400,878	4,824,319
Fund Balances, beginning of year	11,509,095	9,173,142	9,229,219	8,274,558	2,685,331	3,064,975	4,441,481	48,377,801
Fund Balances, end of year	<u>\$ 13,237,220</u>	<u>\$ 10,100,479</u>	<u>\$ 9,799,491</u>	<u>\$ 9,401,315</u>	<u>\$ 2,442,184</u>	<u>\$ 3,379,072</u>	<u>\$ 4,842,359</u>	<u>\$ 53,202,120</u>

(concluded)

The accompanying notes are an integral part of this statement



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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

Excess of Expenditures and Other Financing Uses over Revenues and Other Financing Sources - Total Governmental Funds		\$ 4,824,319
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 570,463	
Loss on disposal	(193,911)	
Depreciation expense for year ended December 31, 2019	<u>(1,883,310)</u>	(1,506,758)
Change in deferred outflows (net pension liability)		530,016
Change in deferred inflows (property tax not available)		22,750
Change in deferred inflows (net pension liability)		440,782
Change in deferred inflows (OPEB)		(20,361)
Change in deferred outflows (OPEB)		98,898
Change in total post-employment benefit obligation		(100,959)
Change in net pension liability		(1,204,828)
Long-Term Debt:		
Change in long term debt	\$ 23,287	
Change in compensated absences payable	<u>(6,834)</u>	<u>16,453</u>
Change in Net Position - Governmental Activities		<u>\$ 3,100,312</u>

The accompanying notes are an integral part of this statement.

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

**STATEMENT OF NET POSITION -**  
**SPRINGFIELD SEWER**

**DECEMBER 31, 2019**

**ASSETS**

Current Assets:

Cash and cash equivalents	\$ 94,573
Accounts receivable	1,481
<b>TOTAL CURRENT ASSETS</b>	<b>96,054</b>

Noncurrent Assets:

Capital assets, net	326,576
<b>TOTAL ASSETS</b>	<b>422,630</b>

**DEFERRED OUTFLOWS OF RESOURCES**

-

**LIABILITIES**

Accounts payable and accruals	3,590
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,590</b>

**DEFERRED INFLOWS OF RESOURCES**

-

**NET POSITION**

Net investment in capital assets	326,576
Unrestricted	92,464
<b>TOTAL NET POSITION</b>	<b>\$ 419,040</b>

The accompanying notes are an integral part of this statement.

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

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

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**OPERATING REVENUES**

Charges for services	\$ 25,554
Total operating revenues	<u>25,554</u>

**OPERATING EXPENSES**

Depreciation	74,101
Insurance	1,357
Legal and professional	4,403
Office expense	1,264
Repairs and maintenance	79,184
Utilities	10,191
Total operating expenses	<u>170,500</u>

Operating loss	<u>(144,946)</u>
Total non-operating revenues	<u>-</u>

<b><u>LOSS BEFORE CONTRIBUTIONS AND TRANSFERS</u></b>	(144,946)
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<b><u>TRANSFERS IN</u></b>	<u>50,000</u>
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<b><u>CHANGE IN NET POSITION</u></b>	(94,946)
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<b><u>NET POSITION, BEGINNING OF YEAR</u></b>	<u>513,986</u>
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<b><u>NET POSITION, END OF YEAR</u></b>	<u>\$ 419,040</u>
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The accompanying notes are an integral part of this statement.

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

**STATEMENT OF CASH FLOWS**  
**SPRINGFIELD SEWER**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

Cash flows from operating activities:	
Receipts from customers	\$ 25,883
Cash payments to suppliers for goods and services	(96,242)
Net cash used in operating activities	<u>(70,359)</u>
 Other revenue	-
Transfers	<u>50,000</u>
Net cash provided by noncapital financing activities	<u>50,000</u>
 Net decrease in cash and cash equivalents	(20,359)
 Cash and cash equivalents, beginning of year	<u>114,932</u>
 Cash and cash equivalents, end of year	<u>\$ 94,573</u>
 Reconciliation of operating income to net cash used in operating activities:	
Operating loss	\$ (144,946)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation expense	74,101
Increase in accounts receivable	329
Increase in accounts payable and accruals	157
Net cash used in operating activities	<u>\$ (70,359)</u>

The accompanying notes are an integral part of this statement.

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Background**

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

**Financial Reporting Entity**

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

1. Legal status of the potential component unit
2. Financial accountability
  - a. The primary government appoints a voting majority of the potential component unit's governing body (and) the primary government is able to impose its will on the potential component (or)
  - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the Police Jury and the potential component unit.
4. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

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

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

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

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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

**Basis of Presentation**

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

**Government-Wide Financial Statements**

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

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

Separate financial statements are provided for governmental and proprietary funds.

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

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



**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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

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

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

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

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

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

**Fund Financial Statements**

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

The Police Jury reports the following governmental and proprietary funds:

**Governmental Funds**

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

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

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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

**Fund Financial Statements (continued)**

**Governmental Funds (continued)**

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

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

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

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

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

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

**Proprietary Funds**

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



**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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

**Budgetary Accounting**

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

**Cash and Cash Equivalents**

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

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

**Investments**

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

**Accounts Receivable and Bad Debt**

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

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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

**Capital Assets**

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

**Compensated Absences**

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

**Long-Term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

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

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

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

**Restricted Net Position**

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

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

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

**Fund Equity**

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

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

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

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

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

**Sales Taxes**

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

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

**Property Taxes**

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

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

**Estimates**

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

**Pension Plans**

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



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**2. LEVIED TAXES**

The Police Jury levies taxes on real and business personal property located within its boundaries. The Red River Parish Tax Assessor assesses the property values and prepares the Police Jury's property tax roll. The Red River Parish Sheriff bills and collects property taxes for the Police Jury. Ad valorem taxes are levied on October 31<sup>st</sup> and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31<sup>st</sup> of each year. The following is a summary of authorized and levied ad valorem taxes as of December 31, 2019:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General alimony:			
Inside municipalities	3.88	3.63	Constitutional
Outside municipalities	1.94	1.81	Constitutional
Public Facilities Maintenance	3.34	3.04	2028
Health Unit	2.22	2.02	2028
Library	7.20	7.09	2022

The Police Jury is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, the local government has the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program ("EZ Program"). For the year ending December 31, 2019, the government participated in the Industrial Tax Exemption Program.

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

Taxes abated under ITEP for the fiscal year ended December 31, 2019, were approximately \$9,000.

**RED RIVER PARISH POLICE JURY**  
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**3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**Deposits with Financial Institutions**

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

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

At December 31, 2019, the carrying amount of demand deposit accounts was \$1,510,359. The bank balance of \$1,528,036 is secured by Federal depository insurance. Money market funds of \$24,041,511 are held with an investment management company. The money market funds are covered by Security Investor Protection Corporation (SIPC) insurance of \$250,000 and the remaining balance is collateralized in government money market funds with an S&P rating of AA+.

Certificates of deposits are included in the investment caption in the balance sheet with a balance totaling \$10,567,171. These balances are secured by Federal deposit insurance or collateralized by pledged securities owned by the financial institution in the name of the bank or held in custody at a mutually acceptable bank but in the name of the pledging fiscal agent bank.

**Investments**

Investments with a maturity of less than 90 days are classified on the statement of net position as "cash and cash equivalents". In accordance with Section 150 paragraphs 110 and 111 of *GASB Codification of Governmental Accounting and Financial Reporting Standards*, investments in U.S. Treasury or Agency obligations that have a remaining maturity at time of purchase of one year or less are stated at amortized cost which is not materially different from fair value. All other investments are shown at fair value.

**RED RIVER PARISH POLICE JURY**  
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**3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (continued)

The Police Jury's investments are in government agency securities that are implicitly guaranteed by the U.S. Government and totaled \$13,513,329. At December 31, 2019, the majority of investments were rated AAAM by Standard and Poor's. The remaining investments are in government securities that are explicitly guaranteed by the U.S. Government.

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

As of December 31, 2019, the Police Jury had the following investment types and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>&lt; 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>&gt;10 Years</u>
Fixed Income-Government Securities:					
Fed Farm Credit Bank	\$ 934,541	\$ -	\$ -	\$ 934,541	\$ -
FNMA	1,067,195	-	148,887	219,015	699,293
FHLMC	3,069,893	-	1,286,566	1,288,897	494,430
FHLB	5,886,145	-	846,021	3,254,027	1,786,097
	<u>10,957,774</u>	<u>-</u>	<u>2,281,474</u>	<u>5,696,480</u>	<u>2,979,820</u>
Certificates of deposit	<u>10,567,671</u>				
Total	<u>21,525,445</u>				
Mutual funds - Government Securities	<u>2,555,555</u>				
Total - all investments	<u>\$ 24,081,000</u>				

There is no limit on the amount that may be invested in any one issuer according to the Police Jury's policy. At December 31, 2019, investments of the following issuers represented more than 5% of total investments:

FHLMC	13%
Federal Home Loan Bank	24%
Government Securities	11%

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

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**3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (continued)

The Police Jury has the following recurring fair value measurements as of December 31, 2019:

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Federal agency obligation reported at fair value	\$ -	\$ 10,957,774	-	10,957,774
Certificates of deposits reported at cost				<u>10,567,671</u>
Mutual funds				<u>2,555,555</u>
Total investments				<u>\$ 24,081,000</u>

**4. ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2019:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Taxes			
Ad valorem	\$ 3,523,558	\$ -	\$ 3,523,558
Sales	241,439	-	241,439
Severance	66,683	-	66,683
Fees, charges, and commission for services	67,213	1,481	68,694
Other	427,307	-	427,307
Total	<u>\$ 4,326,200</u>	<u>\$ 1,481</u>	<u>\$ 4,327,681</u>



**RED RIVER PARISH POLICE JURY**  
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**5. CAPITAL ASSETS**

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

	Balance at December 31, 2018	Additions	Deletions	Transfers	Balance at December 31, 2019
Capital assets, not being depreciated					
Land	\$ 497,849	\$ -	\$ -	\$ -	\$ 497,849
Construction in progress	561,880	-	( 193,911)	( 367,969)	-
Total capital assets, not being depreciated	1,059,729	-	( 193,911)	( 367,969)	497,849
Capital Assets, being depreciated					
Buildings and Building Improvements	11,001,052	22,649	-	-	11,023,701
Less accumulated depreciation	( 7,139,888)	( 201,879)	-	-	( 7,341,767)
Total Buildings and Building Improvements	3,861,164	( 179,230)	-	-	3,681,934
Streets, Parking Lots, and Other Improvements	13,741,496	-	-	367,969	14,109,465
Less accumulated depreciation	( 7,602,787)	( 1,345,347)	-	-	( 8,948,134)
Total Streets, Parking Lots, and Other Improvements	6,138,709	( 1,345,347)	-	367,969	5,161,331
Furniture, Equipment, and Vehicles	4,145,082	517,683	-	-	4,662,765
Less accumulated depreciation	( 3,327,937)	( 314,984)	-	-	( 3,642,921)
Total Furniture, Equipment, and Vehicles	817,145	202,698	-	-	1,019,844
Library Books and Information Materials	258,048	30,135	-	-	288,183
Less accumulated depreciation	( 153,463)	( 21,100)	-	-	( 174,563)
Total Library Books and Information Materials	104,585	9,035	-	-	113,620
Total Capital Assets, being depreciated	10,921,603	( 1,312,843)	-	367,969	9,976,729
Governmental Activities					
Total Capital Assets, net	\$ 11,981,332	(\$ 1,312,843)	(\$ 193,911)	\$ -	\$ 10,474,578

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
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**5. CAPITAL ASSETS** (continued)

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

General government	\$ 274,474
Public safety	75,019
Public works	1,460,235
Health and welfare	27,865
Recreation and culture	45,717
Total depreciation expense	<u>\$ 1,883,310</u>

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

	Balance at December 31, 2018	Additions	Deletions	Transfers	Balance at December 31, 2019
Capital assets, not being depreciated					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets, not being depreciated	-	-	-	-	-
Capital Assets, being depreciated					
Sewer system	1,637,697	-	-	-	1,637,697
Less accumulated depreciation	( 1,237,019)	( 74,102)	-	-	( 1,311,121)
Total Sewer system	400,678	( 74,102)	-	-	326,576
Total capital assets, being depreciated	<u>400,678</u>	<u>( 74,102)</u>	<u>-</u>	<u>-</u>	<u>326,576</u>
Business-type activities					
Total capital assets, net	<u>\$ 400,678</u>	<u>(\$ 74,102)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 326,576</u>
Primary government					
Total capital assets, net	<u>\$ 12,382,010</u>	<u>(\$ 1,386,945)</u>	<u>(\$ 193,911)</u>	<u>\$ -</u>	<u>\$ 10,801,154</u>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The following is a summary of accounts payable at December 31, 2019:

	Governmental Activities	Business-Type Activities	Total
Vendor	\$ 303,621	\$ 3,590	\$ 307,211
Salaries and related benefits	<u>182,275</u>	<u>-</u>	<u>182,275</u>
Total	<u>\$ 485,896</u>	<u>\$ 3,590</u>	<u>\$ 489,486</u>

**RED RIVER PARISH POLICE JURY**  
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**7. LONG-TERM DEBT**

The following is a summary of the long-term debt of the Police Jury for the year ended December 31:

	Balance at December 31, 2018	Additions	Deletions	Balance at December 31, 2019	Current Amount
Compensated absences	\$ 78,719	\$ 55,649	(\$ 48,815)	\$ 85,553	\$ 82,136
FEMA payable	23,287	-	( 23,287)	-	-
Total	<u>\$ 102,006</u>	<u>\$ 55,649</u>	<u>(\$ 72,102)</u>	<u>\$ 85,553</u>	<u>\$ 82,136</u>

**8. INTERFUND TRANSFERS**

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

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities		
General	\$ 354,000	\$ 387,339
Sales tax	-	1,850,000
Library fund	-	4,000
Unit 1 Road fund	1,500,000	-
Public Facilities Maintenance Fund	50,000	-
Other non-major governmental funds	287,339	-
Business-type activities		
Sewer fund	50,000	-
Total	<u>\$ 2,241,339</u>	<u>\$ 2,241,339</u>

**9. DEFINED BENEFIT PENSION PLANS**

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

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

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

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

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

**Plan Descriptions:**

**Parochial Employees' Retirement System of Louisiana (PERS)**

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

**District Attorneys' Retirement System (DARS)**

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

**Registrar of Voters Employees' Retirement System (ROVERS)**

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

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

**Funding Policy**

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PRSAC).

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended December 31, 2019, for the Police Jury and covered employees were as follows:

	<u>Police Jury</u>	<u>Employees</u>
Parochial Employees' Retirement System of Louisiana:		
Plan A	11.50%	9.50%
District Attorneys' Retirement System	4.00%	8.00%
Registrar of Voters Employees' Retirement System	18.00%	7.00%

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

	<u>December 31,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Parochial Employees' Retirement System of Louisiana:			
Plan A	\$ 152,085	\$ 165,997	\$ 178,548
District Attorneys' Retirement System	1,639	406	-
Registrar of Voters Employees' Retirement System	3,831	2,735	4,171



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

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

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

	Net Pension Liability (Asset) at Measurement Date	Rate at Current Measurement Date	Increase (Decrease) in Rate from Previous Measurement Date
Governmental Activities:			
Parochial Employees' Retirement System of Louisiana:			
Plan A *	\$ 1,042,122	0.234799%	0.00270%
District Attorneys' Retirement System **	35,586	0.110617%	0.01948%
Registrar of Voters Employees' Retirement System **	22,537	0.120518%	(0.04199%)
	<u>\$ 1,100,245</u>		

\* The Plan presented has a measurement date of December 31, 2018.

\*\* The Plans presented have a measurement date of June 30, 2019.

**RED RIVER PARISH POLICE JURY**  
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**9. DEFINED BENEFIT PENSION PLANS** (continued)

The following schedule list each pension plan's recognized pension expense plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the Police Jury for the year ended December 31, 2019:

	<u>Pension Expense (Revenue)</u>
Parochial Employees' Retirement System of Louisiana:	
Plan A	\$ 402,965
District Attorneys' Retirement System	21,637
Registrar of Voters Employees' Retirement System	1,379
	<u>\$ 425,981</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 260,718	\$ (16,666)
Changes of assumptions	19,544	(64,658)
Net difference between projected and actual earnings on pension plan investments	503,859	(1,287)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	11,293	(13,488)
Employer contributions subsequent to the measurement date	155,414	-
Total	<u>\$ 950,828</u>	<u>\$ (96,099)</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees' Retirement System of Louisiana:		
Plan A	\$ 915,528	\$ (67,588)
District Attorneys' Retirement System	28,547	(12,908)
Registrar of Voters Employees' Retirement System	6,753	(15,603)
	<u>\$ 950,828</u>	<u>\$ (96,099)</u>

**RED RIVER PARISH POLICE JURY**  
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**9. DEFINED BENEFIT PENSION PLANS** (continued)

The Police Jury reported a total of \$155,414 as deferred outflow of resources related to pension contributions made subsequent to the measurement which will be recognized as a reduction in Net Pension Liability in the year ended December 31, 2020. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Parochial Employees' Retirement System of Louisiana:	
Plan A	\$ 152,085
District Attorneys' Retirement System	1,300
Registrar of Voters Employees' Retirement System	<u>2,029</u>
	<u>\$ 155,414</u>

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

Deferral Period	PERS A	DARS	ROVERS	Total
2020	\$ 238,270	\$ 5,228	\$ (2,510)	\$ 240,988
2021	129,687	2,288	(3,069)	128,906
2022	107,518	2,840	(2,466)	107,892
2023	220,376	5,190	(2,832)	222,734
2024	-	(1,205)	-	(1,205)
	<u>\$ 695,851</u>	<u>\$ 14,341</u>	<u>\$ (10,877)</u>	<u>\$ 699,315</u>

**Actuarial Assumptions**

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

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

	<b>PERS</b>	<b>DARS</b>	<b>ROVERS</b>
<b>Valuation Date</b>	December 31, 2018	June 30, 2019	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Actuarial Assumptions:</b>			
<b>Expected Remaining Service Lives</b>	4 years	6 years	5 years
<b>Investment Rate of Return</b>	6.50% net of investment expenses	6.50% net of investment expenses	6.50%, net of investment expense
<b>Inflation Rate</b>	2.40% per annum	2.40%	2.40%
<b>Mortality</b>	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub 2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Table (setback 1 year for females) projected to 2032 using Scale Assistance for employees, annuitants, and beneficiaries. The RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected for disabled annuitants.	RP-2000 Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table for disabled annuitants.
<b>Salary Increases</b>	<i>Plan A 4.75%, Plan B 4.25%</i>	<i>5.5% (2.4% inflation, 3.1% merit)</i>	<i>6% (2.4% inflation, 3.6% merit)</i>
<b>Cost of Living Adjustments</b>	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

**RED RIVER PARISH POLICE JURY**  
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**9. DEFINED BENEFIT PENSION PLANS** (continued)

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

<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM 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 2.4% and an adjustment for the effect of rebalancing /diversification. The resulting expected long-term rate of return is 7.4% for the year ended December 31, 2018.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 7.6% for the year ended June 30, 2019.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.8% for the year ended June 30, 2019.



**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
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**9. DEFINED BENEFIT PENSION PLANS** (continued)

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

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	PERS	DARS	ROVERS	PERS	DARS	ROVERS
Equities	52.0%	48.4%	60.0%	3.5%	5.1%	4.7%
Fixed income	35.0%	40.1%	22.5%	1.2%	1.7%	0.7%
Alternatives	11.0%	11%	10.0%	0.6%	0.8%	0.6%
Real assets	2.0%	0%	7.5%	0.1%	0.0%	0.3%
Cash	0.0%	.5%	0.0%	0.0%	0.0%	0.0%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>5.4%</u>	<u>5.1%</u>	<u>6.3%</u>
Inflation				<u>2.0%</u>	<u>2.5%</u>	<u>2.5%</u>
Expected Arithmetic Nominal Return				<u>7.4%</u>	<u>7.6%</u>	<u>8.8%</u>

***Discount Rate***

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

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

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
<b>PERS A</b>			
Rates	5.50%	6.50%	7.50%
Police Jury's Share of Net			
NPL	\$ 2,213,188	\$ 1,042,122	\$ 63,213
<b>DARS</b>			
Rates	5.50%	6.50%	7.50%
Police Jury's Share of			
NPL	\$ 96,932	\$ 35,586	\$ (16,651)
<b>ROVERS</b>			
Rates	5.50%	6.50%	7.50%
Police Jury's Share of			
NPL	\$ 38,019	\$ 22,537	\$ 9,249

**Payables to the Pension Plan**

The Police Jury recorded accrued liabilities to each of the Retirement Systems for the year ended December 31, 2019, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts payable and accrued liabilities. The balance due to each for the retirement systems at December 31 is as follows:

	<u>2019</u>
Governmental Activities:	
Parochial Employees'	
Retirement System of	
Louisiana:	
Plan A	\$ 65,006
District Attorneys' Retirement	
System	650
Registrar of Voters Employees'	
Retirement System	<u>1,301</u>
	<u>\$ 66,957</u>

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
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**10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

*Plan description* – The Red River Parish Police Jury (the Police Jury) provides certain continuing health care and life insurance benefits for its retired employees. The Red River Parish Police Jury's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Police Jury. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Police Jury. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

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

Life insurance coverage is not considered for this valuation.

*Employees covered by benefit terms* – At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	39
	<hr/>
	47

**Total OPEB Liability**

The Police Jury's total OPEB liability of \$972,186 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

**RED RIVER PARISH POLICE JURY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS** (continued)

*Actuarial Assumptions and other inputs* – The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	4.10% annually (Beginning of Year to Determine ADC)
	2.74%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

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

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009, to December 31, 2019.

**Changes in the Total OPEB Liability**

Balance at December 31, 2018	\$ 871,223
Changes for the year:	
Service cost	31,536
Interest	36,367
Differences between expected and actual experience	(29,008)
Changes in assumption	107,139
Benefit payments	(45,071)
Net changes	<u>100,963</u>
Balance at December 31, 2019	<u>\$ 972,186</u>

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.74%) or 1-percentage-point higher (3.74%) than the current discount rate:

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
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**10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS** (continued)

	<b><u>1.0% Decrease</u></b> <b><u>(1.74%)</u></b>	<b><u>Current Discount</u></b> <b><u>Rate (2.74%)</u></b>	<b><u>1.0% Increase</u></b> <b><u>(3.74%)</u></b>
Total OPEB liability	\$ 1,071,907	\$ 972,186	\$ 886,383

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

	<b><u>1.0% Decrease</u></b> <b><u>(4.5%)</u></b>	<b><u>Current Discount</u></b> <b><u>Rate</u></b> <b><u>(5.5%)</u></b>	<b><u>1.0% Increase</u></b> <b><u>(6.5%)</u></b>
Total OPEB liability	\$ 878,379	\$ 972,186	\$ 1,087,972

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

For the year ended December 31, 2019, the Police Jury recognized OPEB expense of \$67,497. At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred</u></b> <b><u>Outflows of</u></b> <b><u>Resources</u></b>	<b><u>Deferred</u></b> <b><u>Inflows of</u></b> <b><u>Resources</u></b>
Differences between expected and actual experience	\$ -	\$ (62,048)
Changes in assumptions	98,898	(41,708)
Total	<u>\$ 98,898</u>	<u>\$ (103,756)</u>

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

Years ending June 30:	
2020	\$ (405)
2021	(405)
2022	(405)
2023	(405)
2024	(405)
Thereafter	<u>(2,833)</u>
	<u>\$ (4,858)</u>



**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**11. CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus in the Criminal Court Fund at year end be transferred to the Police Jury's General Fund. The amounts due to the to the General Fund is \$0 due to no surplus in the fund at December 31, 2019.

**12. RISK MANAGEMENT**

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

**13. CLAIMS AND JUDGMENTS**

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

**14. EXPENDITURES EXCEEDING APPROPRIATIONS**

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

	<b><u>Revised Budget</u></b>	<b><u>Actual (GAAP Basis)</u></b>	<b><u>Variance</u></b>
<b>Special Revenue Funds:</b>			
Sales Tax Fund	\$ 20,223	\$ 20,485	\$ (262)
Health Unit Fund	73,202	73,896	(694)
<b>Proprietary Fund:</b>			
Springville Sewer Fund	99,013	170,500	(71,487)

**15. CLAIMS AND JUDGEMENTS**

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

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
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**16. CURRENT ACCOUNTING STANDARDS SCHEDULED TO BE IMPLEMENTED**

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

GASB Statement 83, *Certain Asset Retirement Obligations (ARO)*. This standard establishes criteria for determining the timing and pattern of recognition of an ARO liability and a corresponding deferred outflow of resources. An ARO is a legally enforceable liability associated with the sale, recycling, retirement, abandonment or disposal in some other manner of a tangible capital asset permanently removed from service. The standard is effective for annual reporting periods beginning after June 15, 2019. The Police Jury will include the requirements of this standard, as applicable, in its December 31, 2020 financial statement. The effect of this standard or its applicability to the Police Jury is unknown at this time.

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

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

**17. SUBSEQUENT EVENTS**

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 780,000	\$ 790,000	\$ 784,117	\$ (5,883)
Severance taxes	1,065,000	1,172,668	1,188,362	15,694
Other	150,800	335,341	367,804	32,463
License and permits	79,800	91,063	91,138	75
State sources:				
State revenue sharing	12,700	14,914	14,920	6
Other	40,000	40,089	47,216	7,127
Federal grants	100,000	100,000	92,437	(7,563)
Interest and investment income	100,000	292,583	430,024	137,441
Miscellaneous	4,250	56,233	76,534	20,301
TOTAL REVENUES	2,332,550	2,892,891	3,092,552	199,661
<b>EXPENDITURES</b>				
General government	1,007,243	958,283	876,569	81,714
Public safety	169,850	159,850	162,103	(2,253)
Health and welfare	234,750	309,517	276,969	32,548
Capital outlay	-	-	13,154	(13,154)
TOTAL EXPENDITURES	1,411,843	1,427,650	1,328,795	98,855
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	920,707	1,465,241	1,763,757	298,516
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	304,000	304,000	354,000	50,000
Transfers out	(400,000)	(350,000)	(387,339)	(37,339)
TOTAL OTHER FINANCING SOURCES (USES)	(96,000)	(46,000)	(33,339)	12,661
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	824,707	1,419,241	1,730,418	311,177
Budgetary Fund Balances, beginning of year	11,068,540	11,653,044	11,545,336	(107,708)
Budgetary Fund Balances, end of year	\$ 11,893,247	\$ 13,072,285	\$ 13,275,754	\$ 203,469

See accompanying note to budgetary comparison schedules.

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

**SALES TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Favorable (Unfavorable)
<b><u>REVENUES</u></b>				
Local sources:				
Taxes				
Sales and use taxes	\$ 2,100,000	\$ 2,200,000	\$ 2,498,407	\$ 298,407
Interest and investment income	-	-	299,415	299,415
TOTAL REVENUES	<u>2,100,000</u>	<u>2,200,000</u>	<u>2,797,822</u>	<u>597,822</u>
<b><u>EXPENDITURES</u></b>				
General government	23,130	20,223	20,485	(262)
TOTAL EXPENDITURES	<u>23,130</u>	<u>20,223</u>	<u>20,485</u>	<u>(262)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>2,076,870</u>	<u>2,179,777</u>	<u>2,777,337</u>	<u>597,560</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(3,800,000)	(1,850,000)	(1,850,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,800,000)</u>	<u>(1,850,000)</u>	<u>(1,850,000)</u>	<u>-</u>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u></b>	<u>(1,723,130)</u>	<u>329,777</u>	<u>927,337</u>	<u>597,560</u>
Budgetary Fund Balances, beginning of year	<u>8,855,622</u>	<u>9,173,143</u>	<u>9,173,142</u>	<u>(1)</u>
Budgetary Fund Balances, end of year	<u>\$ 7,132,492</u>	<u>\$ 9,502,920</u>	<u>\$ 10,100,479</u>	<u>\$ 597,559</u>

See accompanying note to budgetary comparison schedules.



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

**AMBULANCE SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis) (See Note A)</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>				
Local sources:				
Taxes				
Sales and use taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,249,075	\$ 149,075
Fees, charges, and commissions for services	400,000	420,000	498,037	78,037
Interest and investment income	-	-	189,302	189,302
Miscellaneous	11,000	107,000	218,947	111,947
TOTAL REVENUES	<u>1,511,000</u>	<u>1,627,000</u>	<u>2,155,361</u>	<u>528,361</u>
<b><u>EXPENDITURES</u></b>				
Public safety	1,372,090	1,322,912	1,246,256	76,656
Capital outlay	-	320,000	338,833	(18,833)
TOTAL EXPENDITURES	<u>1,372,090</u>	<u>1,642,912</u>	<u>1,585,089</u>	<u>57,823</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>138,910</u>	<u>(15,912)</u>	<u>570,272</u>	<u>586,184</u>
<b><u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	138,910	(15,912)	570,272	586,184
Budgetary Fund Balances, beginning of year	<u>8,786,478</u>	<u>9,231,403</u>	<u>9,229,219</u>	<u>(2,184)</u>
Budgetary Fund Balances, end of year	<u>\$ 8,925,388</u>	<u>\$ 9,215,491</u>	<u>\$ 9,799,491</u>	<u>\$ 584,000</u>

See accompanying note to budgetary comparison schedules.

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

**LIBRARY FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 1,500,000	\$ 1,555,502	\$ 1,565,353	\$ 9,851
Fees, charges, and commissions for services	3,000	2,300	1,317	(983)
State sources:				
State revenue sharing	17,700	17,141	17,138	(3)
Other	-	-	-	-
Federal grants	-	-	-	-
Interest and investment income	5,000	5,000	59,181	54,181
Miscellaneous	1,850	1,475	1,225	(250)
<b>TOTAL REVENUES</b>	<b>1,527,550</b>	<b>1,581,418</b>	<b>1,644,214</b>	<b>62,796</b>
<b>EXPENDITURES</b>				
Recreation and culture	571,050	452,300	462,042	(9,742)
Capital Outlay	-	107,600	47,100	60,500
<b>TOTAL EXPENDITURES</b>	<b>571,050</b>	<b>559,900</b>	<b>509,142</b>	<b>50,758</b>
 EXCESS OF REVENUES OVER EXPENDITURES	 956,500	 1,021,518	 1,135,072	 113,554
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(4,000)	(4,000)
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(4,000)</b>	<b>(4,000)</b>
 <b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	 956,500	 1,021,518	 1,131,072	 109,554
 Budgetary Fund Balances, beginning of year	 7,994,077	 8,274,559	 8,349,581	 75,022
 Budgetary Fund Balances, end of year	 <u>\$ 8,950,577</u>	 <u>\$ 9,296,077</u>	 <u>\$ 9,480,653</u>	 <u>\$ 184,576</u>

See accompanying note to budgetary comparison schedules.

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

**UNIT 1 ROAD FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<b><u>REVENUES</u></b>				
Local sources:				
License and permits	\$ 3,000	\$ 9,000	\$ 10,244	\$ 1,244
Fees, charges, and commissions for services	-	-	3,264	3,264
State sources:				
Parish transportation fund	100,000	126,874	148,481	21,607
Other	-	-	-	-
Miscellaneous	15,000	3,264	834	(2,430)
TOTAL REVENUES	118,000	139,138	162,823	23,685
<b><u>EXPENDITURES</u></b>				
Public works	1,393,900	1,234,136	1,795,903	(561,767)
Capital outlay	1,500,000	1,020,000	110,067	909,933
TOTAL EXPENDITURES	2,893,900	2,254,136	1,905,970	348,166
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,775,900)	(2,114,998)	(1,743,147)	371,851
<b><u>OTHER FINANCING SOURCES</u></b>				
Transfers in	3,500,000	1,500,000	1,500,000	-
TOTAL OTHER FINANCING SOURCES (USES)	3,500,000	1,500,000	1,500,000	-
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u></b>	724,100	(614,998)	(243,147)	371,851
Budgetary Fund Balances, beginning of year	1,493,496	1,791,504	2,685,331	893,827
Budgetary Fund Balances, end of year	\$ 2,217,596	\$ 1,176,506	\$ 2,442,184	\$ 1,265,678

See accompanying note to budgetary comparison schedules.

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

**PUBLIC FACILITIES MAINTENANCE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<b><u>REVENUES</u></b>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 680,000	\$ 670,000	\$ 671,504	\$ 1,504
License and permits	750	1,330	1,580	250
Fees, charges, and commissions for services	42,000	42,000	42,000	-
State sources:				
State revenue sharing	10,100	10,413	10,419	6
Other state funds	1,000	3,500	3,850	350
Federal grants	60,000	-	-	-
Interest and investment income	-	-	28,654	28,654
TOTAL REVENUES	<u>793,850</u>	<u>727,243</u>	<u>758,007</u>	<u>30,764</u>
<b><u>EXPENDITURES</u></b>				
Public works	598,598	555,619	472,232	83,387
Capital outlay	-	-	11,117	(11,117)
TOTAL EXPENDITURES	<u>598,598</u>	<u>555,619</u>	<u>483,349</u>	<u>72,270</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>195,252</u>	<u>171,624</u>	<u>274,658</u>	<u>103,034</u>
 <b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	50,000	50,000	50,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u></b>	<u>245,252</u>	<u>221,624</u>	<u>324,658</u>	<u>103,034</u>
Fund Balances, beginning of year	<u>2,901,243</u>	<u>3,064,974</u>	<u>3,097,143</u>	<u>32,169</u>
Fund Balances, end of year	<u>\$ 3,146,495</u>	<u>\$ 3,286,598</u>	<u>\$ 3,421,801</u>	<u>\$ 135,203</u>

See accompanying note to budgetary comparison schedules.

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE BUDGETARY COMPARISONS SCHEDULES**  
**DECEMBER 31, 2019**

**Note A – Budget to Actual Reconciliation**

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

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

	General Fund	Library Fund	Public Facilities Maintenance Fund
Ad valorem taxes (GAAP)	\$ 781,824	\$ 1,561,038	\$ 660,943
Prior year deferred inflows	(36,241)	(75,023)	(32,168)
Current year deferred inflows	38,534	79,338	42,729
Ad valorem taxes (budgetary basis)	<u>\$ 784,117</u>	<u>\$ 1,565,353</u>	<u>\$ 671,504</u>
Beginning fund balance (GAAP)	\$ 11,509,095	\$ 8,274,558	\$ 3,064,975
Prior year deferred inflows	36,241	75,023	32,168
Beginning fund balance (budgetary basis)	<u>\$ 11,545,336</u>	<u>\$ 8,349,581</u>	<u>\$ 3,097,143</u>



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

**SCHEDULES OF CHANGES IN**  
**TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS**  
**YEAR ENDED DECEMBER 31, 2019**

**SCHEDULE OF FUNDING PROGRESS**

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

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

**Notes to the Required Supplementary Information.**

*Benefit Changes*

There were no changes of benefit terms for the year ended December 31, 2019.

*Changes of Assumptions.*

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

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

**Red River Parish Police Jury**  
**Schedule of the Proportionate Share of the Net Pension Liability**  
**Cost Sharing Plans**  
**For the Year Ended December 31, 2019 (\*)**

Pension Plan	Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b>Parochial Employees' Retirement System of Louisiana</b>						
	2019	0.2348%	\$ 1,042,122	\$ 1,443,453	72.1965%	88.86%
	2018	0.2321%	(172,269)	1,428,380	-12.0604%	101.98%
	2017	0.2489%	512,549	1,475,352	34.7408%	94.15%
	2016	0.2595%	683,031	1,443,327	47.3234%	92.23%
	2015	0.2591%	70,830	1,453,831	4.8720%	99.15%
<b>District Attorneys' Retirement System</b>						
	2019	0.1106%	\$ 35,586	\$ 65,000	54.7477%	93.13%
	2018	0.0911%	29,327	52,498	55.8631%	92.92%
	2017	0.0658%	17,754	39,996	44.3894%	93.57%
	2016	0.0606%	11,595	39,996	28.9904%	95.09%
	2015	0.0682%	3,674	39,996	9.1859%	98.56%
	2014	0.0597%	1,190	39,996	2.9753%	99.45%
<b>Registrar of Voters Employees' Retirement System</b>						
	2019	0.1205%	\$ 22,537	\$ 15,411	146.2397%	84.83%
	2018	0.1625%	38,359	22,547	170.1291%	80.57%
	2017	0.1646%	36,134	22,547	160.2608%	80.51%
	2016	0.1499%	42,526	20,584	206.5974%	73.98%
	2015	0.1662%	40,708	22,547	180.5473%	76.86%
	2014	0.2337%	54,024	20,581	262.4945%	77.68%

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

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

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

**Red River Parish Police Jury**  
**Schedule of Contributions to Each Retirement System**  
**Cost Sharing Plans**  
**For the Year Ended December 31, 2019**

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

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

**For reference only:**

<sup>1</sup> Employer contribution rate multiplied by employer's covered payroll

<sup>2</sup> Actual employer contributions remitted to Retirement Systems

<sup>3</sup> Employer's covered payroll amount for each of the year ended December 31

**RED RIVER PARISH POLICE JURY**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2019**

**Changes of Benefit Terms include:**

Parochial Employees' Retirement System of Louisiana Plan B

- No changes noted

District Attorneys' Retirement System

- No changes noted

Registrar of Voters Employees' Retirement System of Louisiana

- No changes noted

**Changes of Assumptions**

Parochial Employees' Retirement System of Louisiana Plan B

- There were changes of assumptions for the year ended December 31, 2018. The investment rate of return changed from 6.75% to 6.50%.

District Attorneys' Retirement System

- No changes noted

Registrar of Voters Employees' Retirement System of Louisiana

- No changes noted

## OTHER SUPPLEMENTARY INFORMATION



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

**SCHEDULE OF COMPENSATION PAID TO POLICE JURORS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

Shawn Beard, President	\$ 14,400
William Brown	14,400
Jessie Davis	14,400
Brandon Hillman	14,400
John Moore, Jr.	14,400
Tray Murray	14,400
Ben Taylor	14,400
	<u>\$ 100,800</u>

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

**SCHEDULE OF COMPENSATION PAID TO HEAD OF POLICE JURY**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

Parish Administration Manager:

Jessie Davis

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 102,728
Benefits - insurance	10,663
Benefits - retirement	11,814
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	5,992
Registration fees	275
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 131,472</u>

**OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

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

Red River Parish Police Jury  
Coushatta, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Red River Parish Police Jury's basic financial statements, and have issued our report thereon dated June 30, 2020.

**Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
June 30, 2020



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

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**YEAR ENDED DECEMBER 31, 2019**

**Summary of Auditors' Results**

*Financial Statements*

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

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

Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**FINANCIAL STATEMENT FINDINGS**

**None**

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

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**YEAR ENDED DECEMBER 31, 2019**

**No prior year findings**

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**RED RIVER PARISH POLICE JURY**  
**LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE**  
**AGREED-UPON PROCEDURES REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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**RED RIVER PARISH POLICE JURY**  
**LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE**  
**AGREED-UPON PROCEDURES REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the  
Red River Parish Police Jury and the  
Louisiana Legislative Auditor:

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

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

The procedures we performed and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

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

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

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
June 30, 2020

**RED RIVER PARISH POLICE JURY**  
**AGREED-UPON PROCEDURES AND ASSOCIATED FINDINGS**  
**DECEMBER 31, 2019**

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read "*no exception noted*". If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, "procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity" is indicated.

***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) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

*No exceptions noted*

- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

*The Entity has written policies for Purchasing; however, the policy does not specifically address requirement (2) how vendors are added to the vendor list and (5) documentation required to be maintained for all bids and price quotes.*

- c) ***Disbursements***, including processing, reviewing, and approving

*No exceptions noted.*

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

*No exceptions noted.*

- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*No exceptions noted.*

**RED RIVER PARISH POLICE JURY  
AGREED-UPON PROCEDURES AND ASSOCIATED FINDINGS  
DECEMBER 31, 2019**

Schedule A

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

*No exceptions noted.*

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

*The Entity has written policies for Credit Cards; however, the policy does not specifically address the requirement (2) allowable business uses, (3) documentation requirements, and (5) monitoring card usage.*

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

*The Entity has written policies for Travel and expense reimbursement; however, the policy does not specifically address the requirement (1) allowable expenses, and (3) documentation requirements.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

*The Entity has written policies for Ethics; however, the policy does not specifically address the requirement (4) employees, including elected officials, annually attest through signature verification that they read the entity's ethics policy.*

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

*No exceptions noted.*

- k) **Disaster Recovery/Business Continuity**

**Board (or Finance Committee, if applicable)**

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

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

*No exceptions noted.*



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- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*It was not documented in the board minutes that a review of budget to actual amounts were performed at 6 of the 12 monthly meetings.*

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

*No exceptions noted.*

**Bank Reconciliations**

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

*A listing of bank accounts was provided and included a total of 8 bank accounts. Management identified the entity's main operating account. A signed representation by management was obtained on the completeness of the listing provided.*

*From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending October 31, 2019, resulting in 5 bank reconciliations obtained and subjected to the below procedures.*

- 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);

*No exceptions noted*

- 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

*Of the 5 bank reconciliations obtained, 1 did not have a reviewers' initials or any other documentation evidencing the review.*

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- 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.

*No exceptions noted.*

**Collections**

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- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

*A listing of deposit sites was provided and included a total of 2 deposit sites. A signed representation by management was obtained on the completeness of the listing provided.*

*From the listing provided, we randomly selected 2 deposit sites and performed the procedures below.*

- 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 listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of 2 collection locations. A signed representation by management was obtained on the completeness of the listing provided.*

*From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.*

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

*For both locations selected for our procedures, the employees responsible for cash collections 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.

*For 1 of the 2 locations selected for our procedures, there is an employee responsible for collecting cash, prepares/makes the bank deposit, and reconciles collection documentation to the deposit.*

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- 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.

*For 1 of the 2 locations selected for our procedures, one of the employees responsible for collecting cash posts collection entries to the general ledger and reconciles ledger postings to each other and 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.

*There is no formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the collection locations selected.*

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*The Entity stated that all employees who have access to cash are bonded and/or covered under the Entity's insurance policy.*

7. Randomly select two deposit dates for each of the 2 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:

*We randomly selected two deposit dates for each of the 5 bank accounts selected in procedure #3. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.*

- a) Observe that receipts are sequentially pre-numbered.

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*



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- 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).

*For 2 deposits tested both were not deposited within one week of the collection.*

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

*No exceptions noted.*

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

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

*The listing of locations that process payments for the fiscal period was provided. A signed representation by management was obtained on the completeness of the listing provided.*

*From the listing provided, we randomly selected the only location and performed the procedures below.*

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

*The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #8 was provided. A signed representation by management was obtained on the completeness of the listing provided.*

*Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.*

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

*No exceptions noted*

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

*No exceptions noted.*

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

*For the 1 location selected for our procedures, the person processing payments was not prohibited from adding / modifying vendor files. The same employee is responsible for periodic review of vendor files.*

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

*No exceptions noted.*

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

*A listing of non-payroll disbursements for each payment processing location selected in procedures #8 was provided related to the reporting period. A signed representation by management was obtained on the completeness of the listing provided.*

*From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.*

- a) Observe that the disbursement matched the related original invoice/billing statement.

*No exceptions noted.*

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

*For 5 of the 5 disbursements selected for our procedures, they did not contain a purchase order and requisition for the purchases to verify approval on the purchase orders or requisitions.*

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

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

*A listing of cards was provided. A signed representation by management was obtained on the completeness of the listing provided.*

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12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

*From the listing provided, we randomly selected 5 cards (2 credit cards and 3 fuel cards) used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.*

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

*For the 5 credit cards tested, the monthly statement provided did not contain evidence of review by someone other than the card holder.*

- b) Observe that finance charges and late fees were not assessed on the selected statements.

*No exceptions noted.*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

*We randomly selected all transactions due to the transactions being less than 10 for 2 of the 5 cards selected in procedure #12 (3 fuel cards excluded) and performed the specified procedures. For 2 of the 4 transactions tested there was no original itemized receipt noting what was purchased and no written business/public purpose written on the receipt.*

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

**Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*



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- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

**Payroll and Personnel**

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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

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*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.:

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

**Ethics**

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*No exceptions noted.*

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

*For all 5 employees/officials selected for our procedures, signature verification evidencing that the employee/official had read the Entity's ethics policy during the fiscal period could not be obtained.*

**Debt Service**

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

*Not applicable as the Entity does not have debt at December 31, 2019*

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



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obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

*Not applicable as the Entity does not have debt at December 31, 2019.*

***Other***

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.*

**RED RIVER PARISH POLICE JURY  
AGREED-UPON PROCEDURES  
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN  
DECEMBER 31, 2019**

Schedule B

The Red River Parish Police Jury (Police Jury) provided a response and corrective action plan for the exceptions noted in Schedule A and are set forth below.

***Written Policies and Procedures***

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The Police Jury plans to amend policies and procedures where applicable to address the findings noted in this section by September 30, 2020.

***Board (or Finance Committee, if applicable)***

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The Police Jury began documenting review in July of 2019 and continues to do it. This is an exception in the current year because the policy was implemented during the year after the prior audit.

***Bank Reconciliations***

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For accounts with no activity, we consider the bank statement the reconciliation. We will begin notating on the bank statements with no activity the agreement with the general ledger. Also we will continue to initial all reconciliations after review.

***Collections***

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The Police Jury will assess the lack of segregation of duties and consider mitigating controls and where applicable develop new policies and procedures to address the findings noted in this section by September 30, 2020.

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

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The Police Jury will assess the lack of segregation of duties and consider mitigating controls and where applicable develop new policies and procedures to address the findings noted in this section by September 30, 2020.

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

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The Police Jury will assess the magnitude of credit card purchases and amend policies and procedures where applicable to address the findings noted in this section by September 30, 2020.

***Ethics***

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The Police Jury will amend policies and procedures where applicable to emphasis the documentation evidencing each employee's review of the ethics policy by September 30, 2020.