

**Madison Parish Police Jury
Tallulah, Louisiana**

Basic Financial Statements

And Independent Auditor's Report

As of and for the Year Ended December 31, 2019

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
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TALLULAH, LOUISIANA
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REQUIRED SUPPLEMENTARY INFORMATION

PART I

Management's Discussion and Analysis

December 31, 2019

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

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 3 *Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments* issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The MD&A provides insights into the results of this year's operations:

Total governmental funds revenue received for the year ended December 31, 2019, was \$7,993,451. This is a decrease of \$185,393 or a 2% change from the year ended December 31, 2018. This decrease is due mainly to a decrease in federal funds.

Governmental expenditures for 2019 were \$7,345,616. This is a decrease of \$439,957, or a 6% change from the year ended December 31, 2018.

For the year ended December 31, 2019, General Fund reported \$1,046,234 in revenues, a decrease of \$18,440, or a 2% change from revenue received for the year ended December 31, 2018.

In 2019 the Police Jury reported \$1,131,844 in expenditures for the General Fund and \$1,068,707 in expenditures for 2018. This is a 6% increase from the prior year.

Using This Annual Report

The Police Jury's annual report consists of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a more long-term view of the Police Jury's finances. The fund financial statements are included later in this report. For governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insight into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds – the General Fund, Library, Garbage Maintenance, Health Unit, Public Works, Courthouse and Jail, and E-911.

The following chart reflects the information included in this annual report:

**Required Supplemental Information
Management's Discussion and Analysis (MD&A)**

Basic Financial Statements	
Government-Wide Financial Statements	Fund Financial Statements
Notes to the Basic Financial Statements	

**Required Supplemental Information
Budgetary Information for Major Funds
Changes in Net OPEB Liability
Employer's Share of Net Pension Liability
Employer Contributions**

**Supplemental Information
Nonmajor Governmental Funds - Combining Statements
Nonmajor Special Revenue Funds - Combining Statements
Schedule of Compensation Paid to Police Jurors
Schedule of Compensation; Reimbursements, and Other
Payments to Agency Head**

**Other Required Reports
Schedule of Current-Year Findings
Summary Schedule of Prior-Year Audit Findings**

Our auditors have provided assurance in their Independent Auditor's Report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities. Our analysis of the Police Jury as a whole begins on page 3. One of the most important questions about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

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

Government activities – All of the Police Jury’s services are reported here, including public works and health and welfare services. Property taxes, severance taxes, and state and federal grants finance most of these activities.

Reporting the Police Jury’s Most Significant Funds

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

Governmental funds – All of the Police Jury’s services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury’s operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and government funds in reconciling statements on pages 14 and 17.

The Police Jury as a Whole. The Police Jury’s net position was \$23,956,931 at December 31, 2019, of which none was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury’s ability to use those funds for day-to-day operations. Our analysis of the primary government focuses on the net position (Table 1) and changes in net position (Table 2) of the Police Jury’s governmental activities.

**Table 1
Net Position
Years Ended December 31, 2018, and 2019**

	Governmental Activities	
	2018	2019
Current and other assets	\$ 17,934,586	\$ 17,690,508
Capital assets	7,363,478	7,309,440
Total assets	25,298,064	24,999,948
Deferred outflows of resources	653,794	1,324,902
Current and other liabilities	647,898	362,616
Long-term liabilities	401,994	1,922,754
Total liabilities	1,049,892	2,285,370
Deferred inflows of resources	646,591	82,549
Net position		
Invested in capital assets, net of debt	7,285,357	7,247,201
Restricted	16,603,071	18,010,723
Unrestricted	366,947	(1,300,993)
Total net position	\$ 24,255,375	\$ 23,956,931

Net position of the Police Jury's governmental activities for December 31, 2019, was \$23,956,931. Unrestricted net position, which is part of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation or other legal requirements was a deficit of \$1,300,993.

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

Table 2
Changes in Net Position
Years Ended December 31, 2018, and 2019

	2018	2019
Revenues:		
Program revenues		
Charges for services	\$1,027,516	\$ 993,079
Federal grants	736,763	173,168
State grants & entitlements	545,081	247,131
General Revenues		
Ad valorem taxes	5,440,227	4,943,815
State revenue sharing	85,443	72,367
Other general revenues	960,310	957,260
Total revenues	8,795,340	7,386,820
Functions/Programs Expenses:		
General government:		
Legislative	126,348	129,788
Judicial	1,089,434	1,041,941
Elections	34,950	46,338
Finance and administrative	291,257	445,667
Other general government	59,443	63,308
Public safety	1,441,976	1,642,114
Public works	3,776,346	3,382,793
Health and welfare	291,691	244,957
Culture and recreation	529,570	542,054
Economic development and assistance	59,411	55,434
Transportation	316,918	72,189
Miscellaneous	32,685	13,859
Interest on long-term debt	3,095	4,822
Total expenses	8,053,124	7,685,264
Ordinary increase in net position	742,216	(298,444)

Governmental Activities. As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$7,685,264. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was \$4,943,815 because some of the cost was paid by those who benefited from the programs or by other governments and organizations who subsidized certain programs with grants and contributions.

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

Table 3
Governmental Activities
For the Years Ended December 31, 2018, and 2019

Governmental Activities	Total Cost of Services		Net Cost of Services	
	2018	2019	2018	2019
Judicial	\$ 1,089,434	\$ 1,041,941	\$ (731,849)	\$ (693,708)
Finance and Administrative	291,257	445,667	(283,319)	(436,966)
Public Safety	1,441,976	1,642,114	(864,428)	(1,520,319)
Public Works	3,776,346	3,382,793	(2,525,730)	(2,516,332)
Health & Welfare	291,691	244,957	(188,071)	(190,326)
Culture and Recreation	529,570	542,054	(519,123)	(529,837)
All Others	632,850	385,738	(631,244)	(384,398)
Total Functions/Program Expenses	\$ 8,053,124	\$ 7,685,264	\$(5,743,764)	\$(6,271,886)

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

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$17,014,767 which is an increase of \$647,835 from last year. The primary reasons for these increases are:

Our General fund is our principle operating fund. The fund balance in the general fund decreased by \$87,610 to \$589,092 at December 31, 2019. The income decreased by \$18,440 and expenditures increased by \$63,137.

Our Library fund accounts for the public library. This fund showed an increase of \$106,112 to \$1,924,642. This increase is less than the prior year increase.

The Garbage Maintenance fund accounts for the parish garbage collection services. This fund showed an increase of \$133,133 to \$1,959,306. The increase is due to an increase in revenues.

The Health Unit fund accounts for the parish health center. This fund showed an increase of \$149,383 to \$1,970,562. The increase was the result of an operating profit in the current year.

The Public Works fund accounts for funds used to maintain the parish roads and streets. This fund showed an increase of \$290,901 to \$1,941,194. Revenue was up compared to the prior year.

The Courthouse and Jail fund accounts for funds used to maintain the courthouse, courthouse annex, jail, and the feeding, maintenance and transporting of parish inmates. This fund showed an increase of \$212,412 to \$8,254,237. The ad valorem tax base was increased several years ago.

The E-911 fund accounts for funds used for the operations of the Madison Parish Communications District. The fund showed a decrease of \$201,051 to \$1,120,468. The decrease is due to an increase of expenditures compared to the prior year.

The Other Governmental funds are comprised of the debt service fund and special revenue funds (Criminal Court, Memorial, Group Health Savings, Grant Fund, Witness Fees, FEMA Disaster, Emergency Shelter Donation, Recreation Board, OHSEP, and Building Fund). The combined funds showed an increase of \$44,555 to a deficit of \$744,734.

The Other Governmental funds are comprised of the special revenue funds (Criminal Court, Memorial, Group Health Savings, Grant Fund, Witness Fees, FEMA Disaster, Emergency Shelter Donation, Recreation Board, OHSEP, and Building Fund). The combined funds showed an increase of \$44,555 to a deficit of \$744,734.

General Fund Budgetary Highlights. Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report). The original budgets were adopted on December 20, 2018, and amended on December 17, 2019, in an effort to accurately reflect actual revenue and expenditure amounts.

CAPITAL ASSETS

Capital Assets at Year Ended December 31, 2018, and 2019

	2018	2019
Land	\$ 188,750	\$ 188,750
Buildings and improvements	6,329,028	6,329,028
Equipment and furniture (including vehicles)	3,571,912	3,782,809
Books and periodicals	652,084	736,427
Quebec Road	3,771,405	3,771,405
Health Unit	1,688,635	1,688,635
Total capital assets	16,201,814	16,497,054
Accumulated depreciation	(8,838,336)	(9,187,614)
Net capital assets	\$7,363,478	\$7,309,440

Debt. At December 31, 2019, the Police Jury had a prior year liability of \$177,500 for claims and judgments.

Contacting the Police Jury's Financial Management. Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional information, contact Ms. Margaret Dew, Secretary/Treasurer, Courthouse Building, Madison Parish Police Jury, 100 North Cedar Street, Tallulah, LA 71282, telephone number (318) 574-3451.

INDEPENDENT AUDITOR'S REPORT

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Members
American Institute of
Certified Public Accountants

Mississippi Society of
Certified Public Accountants

Louisiana Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Police Jurors
Madison Parish Police Jury
Tallulah, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish'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 amounts by which this departure from accounting principles generally accepted in the United States of America would affect the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units are not reasonably determinable.

Adverse Opinion on Aggregate Discretely Presented Component Units

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

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Madison 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 1 through 6, the budgetary comparison information on pages 40 through 49, the schedule of changes in net OPEB liability and related ratios on page 50, the schedule of employer's share of net pension liability on page 51, and the schedule of employer contributions on page 52 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 Madison Parish Police Jury's basic financial statements. The combining non-major governmental fund financial statements, the Schedule of Compensation Paid to Jurors, and The Schedule of Compensation Paid to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor governmental fund financial statements, the Schedule of Compensation Paid to Jurors, and the Schedule of Compensation Paid to Agency Head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major governmental fund financial statements, the Schedule of Compensation Paid to Jurors and Schedule of Compensation Paid to Agency Head are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2020, on our consideration of the Madison 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 on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Madison Parish Police Jury's internal control over financial reporting and compliance.

The Halford Firm, PLLC

Vicksburg, Mississippi
August 22, 2020

BASIC FINANCIAL STATEMENTS

**Government-Wide
Financial Statements**

**MADISON PARISH POLICE JURY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2019**

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 8,146,060
Investments	3,847,042
Receivables	5,697,406
Capital assets, net	7,309,440
Total Assets	24,999,948
Deferred Outflows of Resources	1,324,902
Liabilities	
Accounts, salaries and other payables	362,616
Long-term liabilities:	
Due within one year	18,139
Due in more than one year	1,904,615
Total Liabilities	2,285,370
Deferred Inflows of Resources	82,549
Net Position (Deficit)	
Invested in capital assets, net of related debt	7,247,201
Restricted for:	
Library	2,022,967
Garbage collection	1,650,662
Health unit	1,945,419
Drainage and roads	2,252,875
Courthouse and jail	7,584,601
E-911	1,119,579
Other special revenue funds	192,267
Other purposes	1,242,353
Unrestricted	(1,300,993)
Total Net Position	\$ 23,956,931

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Functions/Programs	Expenses	Program Revenues			Primary Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Primary Government: Governmental Activities:					
General government:					
Legislative	\$ 129,788	\$ -	\$ -	\$ -	\$ (129,788)
Judicial	1,041,941	348,233	-	-	(693,708)
Elections	46,338	-	-	-	(46,338)
Finance and administrative	445,667	-	8,701	-	(436,966)
Other general administrative	63,308	1,340	-	-	(61,968)
Public safety	1,642,114	42,335	50,849	28,611	(1,520,319)
Public works	3,382,793	600,961	265,500	-	(2,516,332)
Health and welfare	244,957	-	54,631	-	(190,326)
Culture and recreation	542,054	210	12,007	-	(529,837)
Economic development and assistance	55,434	-	-	-	(55,434)
Transportation	72,189	-	-	-	(72,189)
Miscellaneous	13,859	-	-	-	(13,859)
Interest on long-term debt	4,822	-	-	-	(4,822)
Total Governmental Activities	<u>\$7,685,264</u>	<u>\$ 993,079</u>	<u>\$ 391,688</u>	<u>\$ 28,611</u>	<u>(6,271,886)</u>
General revenues:					
Taxes:					
					4,943,815
					158,401
					72,367
					14,967
					202,109
					155,736
					148,494
					277,553
					<u>5,973,442</u>
					(298,444)
					<u>24,255,375</u>
					<u>\$ 23,956,931</u>

The accompanying notes are an integral part of this financial statement.

BASIC FINANCIAL STATEMENTS

Fund Financial Statements

**MADISON PARISH POLICE JURY
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General	Library	Garbage Maintenance	Health Unit	Public Works
Assets					
Cash and cash equivalents	\$ 121,117	\$ 650,184	\$ 1,007,816	\$ 1,704,546	\$ 23,831
Investments	-	785,365	102,921	-	-
Receivables	642,286	501,085	518,935	224,099	2,152,859
Interfund Receivables	952,027	-	330,864	46,200	122,534
Total Assets	<u>1,715,430</u>	<u>1,936,634</u>	<u>1,960,536</u>	<u>1,974,845</u>	<u>2,299,224</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts, salaries, and other payables	224,406	2,817	591	514	27,166
Interfund payables	901,932	9,175	639	3,769	330,864
Total Liabilities	<u>1,126,338</u>	<u>11,992</u>	<u>1,230</u>	<u>4,283</u>	<u>358,030</u>
Fund Balances:					
Restricted	-	1,924,642	1,959,306	1,970,562	1,941,194
Unassigned	589,092	-	-	-	-
Total Fund Balance	<u>589,092</u>	<u>1,924,642</u>	<u>1,959,306</u>	<u>1,970,562</u>	<u>1,941,194</u>
Total Liabilities and Fund Balances	<u>\$ 1,715,430</u>	<u>\$ 1,936,634</u>	<u>\$ 1,960,536</u>	<u>\$ 1,974,845</u>	<u>\$ 2,299,224</u>

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2019 - continued**

	Courthouse and Jail	E-911	Other Governmental	Total
Assets				
Cash and cash equivalents	\$ 4,358,832	\$ 71,720	\$ 208,014	\$ 8,146,060
Investments	2,263,073	695,683	-	3,847,042
Receivables	969,401	342,783	32,833	5,384,281
Interfund Recievables	718,040	15,518	1,430	2,186,613
Total Assets	<u>8,309,346</u>	<u>1,125,704</u>	<u>242,277</u>	<u>19,563,996</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts, salaries, and other payables	53,579	4,963	48,580	362,616
Interfund payables	1,530	273	938,431	2,186,613
Total Liabilities	<u>55,109</u>	<u>5,236</u>	<u>987,011</u>	<u>2,549,229</u>
Fund Balances:				
Restricted	8,254,237	1,120,468	(744,734)	16,425,675
Unassigned	-	-	-	589,092
Total Fund Balance	<u>8,254,237</u>	<u>1,120,468</u>	<u>(744,734)</u>	<u>17,014,767</u>
Total Liabilities and Fund Balances	<u>\$ 8,309,346</u>	<u>\$1,125,704</u>	<u>\$ 242,277</u>	<u>\$19,563,996</u>

The accompanying notes are an integral part of this financial statement.

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

Total fund balances - governmental funds \$ 17,014,767

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	16,497,054	
Depreciation expense to date	<u>(9,187,614)</u>	
		7,309,440

Receivables collected more than 60 days after the close of the accounting period are not recorded on the fund financial statements, but they are included on the Statement of Net Position. 313,125

Deferred outflows and inflows are not financial resources or currently payable

Deferred outflows	1,324,902	
Deferred inflows	<u>(82,549)</u>	
		1,242,353

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Balances at December 31, 2019, are:

Long-term liabilities		
Judgment payable	(177,500)	
Note payable	(62,239)	
OPEB obligation	(394,719)	
Net pension liability	<u>(1,288,296)</u>	
		<u>(1,922,754)</u>

Net Position \$ 23,956,931

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General	Library	Garbage Maintenance	Health Unit
Revenues				
Local sources:				
Taxes:				
Ad valorem	\$ 436,035	\$ 544,829	\$ 484,028	\$ 222,998
Other taxes and penalties	1,457	-	-	-
Licenses and permits	147,661	-	-	-
Intergovernmental revenues:				
Federal funds - federal grants	18,557	8,682	13,765	54,631
State funds:				
Parish transportation funds	-	-	-	-
State revenue sharing (net)	6,227	5,133	3,512	2,898
Severance taxes	14,967	-	-	-
Other state grants	202,109	3,325	-	-
Fees, charges, and commissions				
for services	1,340	-	600,536	-
Fines and forfeitures	-	210	-	-
Use of money and property	8,388	21,357	22,982	6,965
Other revenues	209,493	25,434	-	1,680
Total Revenues	<u>1,046,234</u>	<u>608,970</u>	<u>1,124,823</u>	<u>289,172</u>
Expenditures				
Current:				
General government:				
Legislative	129,788	-	-	-
Judicial	425,115	-	-	-
Elections	33,301	-	-	4,220
Finance and administrative	192,136	-	-	-
Public safety	159,576	-	-	-
Public works	310	-	991,690	-
Health and welfare	40,065	-	-	135,569
Culture and recreation	25,927	393,618	-	-
Economic development and assistance	55,434	-	-	-
Transportation	56,333	-	-	-
Miscellaneous	13,859	-	-	-
Debt service	-	-	-	-
Capital outlay	-	109,240	-	-
Total Expenditures	<u>1,131,844</u>	<u>502,858</u>	<u>991,690</u>	<u>139,789</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(85,610)</u>	<u>106,112</u>	<u>133,133</u>	<u>149,383</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(2,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(87,610)	106,112	133,133	149,383
Fund Balances - beginning	676,702	1,818,530	1,826,173	1,821,179
Fund Balances - ending	<u>\$ 589,092</u>	<u>\$ 1,924,642</u>	<u>\$ 1,959,306</u>	<u>\$ 1,970,562</u>

-continued

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS
FOR THE YEAR ENDED DECEMBER 31, 2019 – continued**

	Public Works	Courthouse and Jail	E - 911	Other Governmental	Total
Revenues					
Local sources:					
Taxes:					
Ad valorem	\$ 2,303,424	\$ 1,044,480	\$ 319,923	\$ -	\$ 5,355,717
Other taxes and penalties	-	-	156,944	-	158,401
Licenses and permits	-	-	-	8,075	155,736
Intergovernmental revenues:					
Federal funds - federal grants	26,078	14,949	4,578	226,656	367,896
State funds:					
Parish transportation funds	194,015	-	-	-	194,015
State revenue sharing (net)	28,686	-	-	54,522	100,978
Severance taxes	-	-	-	-	14,967
Other state grants	-	7,104	-	14,076	226,614
Fees, charges, and commissions for services	425	-	-	42,336	644,637
Fines and forfeitures	-	-	-	348,233	348,443
Use of money and property	9,418	68,359	9,552	1,473	148,494
Other revenues	3,537	110	21	37,278	277,553
Total Revenues	2,565,583	1,135,002	491,018	732,649	7,993,451
Expenditures					
Current:					
General government:					
Legislative	-	-	-	-	129,788
Judicial	-	3,455	-	539,307	967,877
Elections	-	4,298	-	-	41,819
Finance and administrative	87,533	101,774	-	3,908	385,351
Public safety	-	774,660	575,126	33,873	1,543,235
Public works	2,187,077	-	-	37,788	3,216,865
Health and welfare	-	-	-	-	175,634
Culture and recreation	-	-	-	1,292	420,837
Economic development and assistance	-	-	-	-	55,434
Transportation	-	-	-	15,856	72,189
Miscellaneous	-	-	-	-	13,859
Debt services	20,704	-	-	-	20,704
Capital outlay	8,827	38,403	145,554	-	302,024
Total Expenditures	2,304,141	922,590	720,680	632,024	7,345,616
Excess (Deficiency) of Revenues Over Expenditures	261,442	212,412	(229,662)	100,625	647,835
Other Financing Sources (Uses)					
Transfers in	31,901	-	28,611	25,363	85,875
Transfers out	(2,442)	-	-	(81,433)	(85,875)
Total Other Financing Sources (Uses)	29,459	-	28,611	(56,070)	-
Net Change in Fund Balances	290,901	212,412	(201,051)	44,555	647,835
Fund Balances - beginning	1,650,293	8,041,825	1,321,519	(789,289)	16,366,932
Fund Balances - ending	\$ 1,941,194	\$ 8,254,237	\$1,120,468	\$ (744,734)	\$17,014,767

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES/DEFICITS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Total net change in fund balances - governmental funds		\$ 647,835
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period:</p>		
Capital outlay	302,024	
Depreciation expense	<u>(356,061)</u>	(54,037)
<p>Governmental funds do not report funds received more than 60 days after the end of the year as revenues in the current year, but the Statement of Activities reports all receivables regardless of when collected. This is the net change resulting from recording all receivables on the Statement of Activities.</p>		
		(606,632)
<p>Payments of long-term debt are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.</p>		
		15,882
<p>Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the Statement of Activities the net pension expense is reported according to estimates required by GASB 68:</p>		
Pension expenses paid	181,299	
Pension expenses per GASB 68	(473,491)	
Non-employer contributions to cost sharing pension plan	<u>22,181</u>	(270,011)
<p>The Statement of Activities recorded unfunded cost of post employment medical insurance cost (OPEB) in the current year, but it will not be recorded in Governmental funds until actually paid.</p>		
		<u>(31,481)</u>
Change in net position of governmental activities		<u>\$ (298,444)</u>

The accompanying notes are an integral part of this financial statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

INTRODUCTION

The Madison Parish Police Jury (the Police Jury) is the governing authority for Madison Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by five jurors representing the various districts within the parish. The jurors serve four-year terms which expire on January 10, 2020.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Madison Parish Police Jury have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be considered part of the Madison Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body and:
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

A. REPORTING ENTITY - continued

2. Organization for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year Ended</u>	<u>Criteria Used</u>
Madison Parish Hospital Service District	December 31	1 and 3
Madison Parish Port Commission	December 31	1 and 3
Madison Parish Recreation District	December 31	1 and 3
Afton Fire Protection	December 31	1 and 3
Mound Fire Protection	December 31	1 and 3
Bear Lake Fire Protection Dist. No. 1	December 31	1 and 3
Madison Parish Tax Assessor	December 31	2 and 3
Madison Parish Clerk of Court	June 30	2 and 3
Madison Parish Sheriff	June 30	2 and 3
Madison Parish Tourism Commission	December 31	1 and 3

The component units listed above are not included in the basic financial statements.

Considered in the determination of component units of the reporting entity were the Madison Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Madison Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Madison Parish Police Jury.

B. FUND ACCOUNTING

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

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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. FUND ACCOUNTING - continued

Governmental Funds

Governmental funds account for all or most of the Police Jury's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Police Jury. The following are the Police Jury's governmental funds:

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

Library Fund – This fund accounts for the activities performed for the public library.

Garbage Maintenance – This fund accounts for the parish garbage collection services.

Health Unit – This fund accounts for funds for the parish health center.

Public Works – This fund accounts for funds used to maintain the parish roads and streets.

Courthouse and Jail – This fund accounts for operation and maintenance of the courthouse and jail.

E-911 – This fund accounts for the operation of the Madison Parish Communications District.

Other Governmental – This fund is comprised of all non-major funds which include Criminal Court, Memorial, Group Health Savings, Grant Fund, Witness Fees, FEMA Disaster, Emergency Shelter Donation, Recreation Board, OHSEP, LCDBG, and Building Fund.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions*. Fiduciary funds are not included in the government-wide financial statements.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – continued

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

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

Fund Financial Statements (FFS)

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

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

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

Sales tax is susceptible to accrual.

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

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

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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – continued

Substantially all other revenues are recognized when they become available to the Police Jury. Based on the above criteria, ad valorem taxes, federal and state grants, and fines and forfeitures, and court costs have been treated as susceptible to accrual.

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

Other Financing Sources (Uses) – Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

E. BUDGETARY ACCOUNTING

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

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

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

F. ENCUMBRANCE

Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is employed in governmental funds.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

H. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The Police Jury invests in authorized U.S. government securities. Investments are carried at fair market value based on quoted market prices. The Police Jury's intent is to hold all investments to maturity.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

J. ELIMINATION AND RECLASSIFICATIONS

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

K. CAPITAL ASSETS

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). The Police Jury has a capitalization threshold of \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. General assets are capitalized and valued at historical cost or estimated historical cost. Interest during construction was not capitalized on capital assets prior to January 1, 1999. Estimated useful life is management's estimate of how long the asset is expected to meet services demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings and improvements	20-40 years
Equipment and furniture (including vehicles)	5-15 years
Books, periodicals and law books	10 years

L. FUND EQUITY

Beginning with fiscal year 2011, the Police Jury implemented GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

L. FUND EQUITY - continued

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

Committed Fund Balance – amounts constrained to specific purposes by the Police Jury itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Police Jury takes the same highest level action to remove or change the constraint.

Assigned Fund Balance – amounts the Police Jury intends to use for a specific purpose. Intent is expressed by the Madison Parish Police Jury.

Unassigned Fund Balance – amounts that are available for any purpose. These amounts are reported only in the general fund.

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

M. COMPENSATED ABSENCES

Employees of the Police Jury receive 10 to 20 days of annual leave each year, depending on the length of service. A maximum of 5 days annual leave may be carried forward to the next year. Upon voluntary resignation or retirement, employees are compensated for annual leave accumulated to the date of separation. Sick leave is credited to a permanent full-time employee at the rate of 1 day for each month of continuous employment. Sick leave may accumulate to a maximum of 90 days. Upon retirement, all unused accumulated sick leave is used in retirement benefit computations as earned services.

N. INTERFUND TRANSACTIONS

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

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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

O. USE OF ESTIMATES

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

P. RESTRICTED NET POSITION

For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either:

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

Imposed by law through constitutional provisions or enabling legislation. Restricted net position reported by the Police Jury is restricted by enabling legislation.

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

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 2019, the Police Jury has cash and cash equivalents totaling \$8,146,060 as follows:

Demand deposits	\$ 8,122,884
Interest bearing demand deposits	23,037
Petty cash	139
Total	\$ 8,146,060

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

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

As of December 31, 2019, the book balance of the Police Jury's deposit was \$8,146,060 and the bank balance was \$8,501,034. Of the bank balance, \$589,807 was covered by federal depository insurance and \$7,911,227 by pledged securities.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balances

The following funds have a deficit in the fund balance at December 31, 2019:

<u>Fund</u>	<u>Amount of Deficit</u>
Criminal Court	\$ (907,452)
OHSEP	(13,777)

B. Excess of Budgeted Revenues Over Actual Revenues in Individual Funds

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variances</u>
General Fund	1,096,757	1,046,234	(50,523)
Garbage Maintenance	1,432,200	1,124,823	(307,377)
Health Unit	311,255	289,172	(22,083)

C. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds

The following funds had actual expenditures greater than budgeted expenditures for the year ended December 31, 2019.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	1,081,444	1,131,844	(50,400)
Garbage Maintenance	956,000	991,690	(35,690)
Health Unit	134,000	139,789	(5,789)
Public Works	2,235,250	2,304,141	(68,891)
Courthouse and Jail	877,461	922,590	(45,129)
E-911	181,000	720,680	(539,680)

NOTE 4. LEVIED TAXES

The Police Jury levies taxes on real and business personal property located within Madison Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Madison Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Madison Parish Sheriff's Office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Levy date	No later than November 15 th
Tax bills mailed	October-November
Due date	December 31 st
Lien date	Date of filing in Clerk of Court's office
Tax sale – 2019 delinquent property	April, 2020

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4. LEVIED TAXES- continued

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

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

A revaluation of all properties is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2017. Total assessed value was \$117,053,283 in calendar year 2019. Louisiana state law exempts the first \$7,500 of assessed value of taxpayer's primary residence from parish property taxes. This homestead exemption was \$10,385,943 of the assessed value in calendar year 2019.

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

All property taxes are recorded in the general fund, library, garbage maintenance, health unit, E-911, public works, and courthouse and jail funds. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2019 property taxes to be collected occurs in December of the current year and January and February of the next year. Historically, virtually all ad valorem taxes receivables were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4. LEVIED TAXES - continued

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2019:

	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
General Fund/In	1.73	1.63	Indefinite
General Fund/Out	3.46	3.27	Indefinite
Health Unit	1.18	1.12	2022
Library	3.56	3.36	2022
Garbage Collection	9.03	8.72	2026
Drainage and Roads	17.10	16.52	2028
Courthouse and Jail	2.71	2.56	2022
Library 2002	1.94	1.89	2021
Health Unit 2002	1.50	1.47	2021
Courthouse and Jail 2007	7.00	6.74	2026
E-911	3.00	2.89	2026
Council on Aging	1.00	.97	2020
Public Transportation	1.00	1.00	2022
Fire	2.00	2.00	2026

The difference between authorized and levied mileages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

NOTE 5. DEPOSITS AND INVESTMENTS

At December 31, 2019, the Police Jury had the following investments:

Investment Type	Maturities	Fair Value
Government securities	Less than 1 year	\$ 3,151,360
Bank certificates of deposit		695,682
Total		<u>\$ 3,847,042</u>

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

Credit Risk: The Police Jury invests in certificate of deposit and U.S. Treasury securities which do not have credit ratings.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6. RECEIVABLES

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

	General	Library	Garbage Maintenance	Health Unit	Public Works	Courthouse and Jail	E911 and Other Governmental	Total Governmental Fund	Government Wide
Taxes:									
Ad Valorem	\$590,665	\$501,085	\$446,314	\$ 207,299	\$ 2,101,394	\$ 969,401	\$296,859	\$5,113,017	\$5,426,142
Other taxes	19,103	-	-	-	-	-	-	19,103	19,103
Gaming	23,875	-	-	-	-	-	-	23,875	23,875
Other	8,643	-	72,621	16,800	51,465	-	78,757	228,286	228,286
Total	\$642,286	\$501,085	\$518,935	\$ 224,099	\$ 2,152,859	\$ 969,401	\$375,616	\$5,384,281	\$5,697,406

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

NOTE 7. INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Due from/to other funds:

General Fund	\$ 952,027	General Fund	\$ 901,932
Library	-	Library	9,175
Garbage Maintenance	330,864	Garbage Maintenance	639
Health Unit	46,200	Health Unit	3,769
Public Works	122,534	Public Works	330,864
Courthouse and Jail	718,040	Courthouse and Jail	1,530
E-911	15,518	E-911	273
Other Governmental	1,430	Other Government	938,431
Total	\$ 2,186,613		\$ 2,186,613

The interfund balances are loans between funds to cover operating expenses.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 8. CAPITAL ASSETS

The following schedule presents changes in capital assets for the Police Jury:

	Balance, Beginning	Additions	Deletions	Balance, Ending
Governmental activities				
Not subject to depreciation:				
Land	\$ 188,750	\$ -	\$ -	\$ 188,750
Quebec Road	3,771,405	-	-	3,771,405
Subject to depreciation:				
Health Unit	1,688,635	-	-	1,688,635
Buildings and improvements	6,329,028	-	-	6,329,028
Furniture and equipment	3,571,912	210,897	-	3,782,809
Books and periodicals	652,084	91,127	6,784	736,427
Total	<u>16,201,814</u>	<u>302,024</u>	<u>6,784</u>	<u>16,497,054</u>
Less accumulated depreciation				
Buildings and improvements	5,182,755	157,205	-	5,339,960
Furniture and equipment	3,132,092	125,213	-	3,257,305
Books and periodicals	523,490	73,643	6,784	590,349
Total	<u>8,838,337</u>	<u>356,061</u>	<u>6,784</u>	<u>9,187,614</u>
Governmental activities capital assets, net	<u>\$ 7,363,477</u>	<u>\$ (54,037)</u>	<u>\$ -</u>	<u>\$ 7,309,440</u>

Current year depreciation expense was charged to governmental activities for the Police Jury as follows:

Judicial	\$ 7,641
Elections	172
Other general government	63,308
Public safety	83,623
Public works	46,609
Health and welfare	56,497
Culture and recreation	98,211
Total	<u>\$ 356,061</u>

**MADISON PARISH POLICE JURY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan Description. The Madison Parish Police Jury (the Police Jury) provides certain continuing health care and life insurance benefits for its retired employees. The Madison 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 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. Only employees hired prior to January 1, 2001, are eligible for benefits.

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	3
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>6</u>
	<u>9</u>

Total OPEB Liability

The Police Jury's total OPEB liability of \$394,719 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

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%, including inflation
Discount rate	4.1% 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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

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	<u>\$</u>	<u>363,238</u>
Changes for the year:		
Service cost		-
Interest		14,893
Differences between expected and actual experience		(2,134)
Changes in assumptions		44,285
Benefit payments and net transfers		<u>(25,563)</u>
Net changes		<u>31,481</u>
 Balance at December 31, 2019	 <u>\$</u>	 <u>394,719</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:

	<u>1.0% Decrease (1.74%)</u>	<u>Current Discount Rate (2.74%)</u>	<u>1.0% Increase (3.74%)</u>
Total OPEB Liability	\$ 431,496	\$ 394,719	\$ 363,206

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

	<u>1.0% Decrease (4.5%)</u>	<u>Current Trend (5.5%)</u>	<u>1.0% Increase (6.5%)</u>
Total OPEB Liability	\$ 364,773	\$ 394,719	\$ 428,932

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

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 \$23,586. At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Total	\$ -	\$ -

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 December 31:	
2020	-
2021	-
2022	-
2023	-
2024	-
Thereafter	-

NOTE 10. ACCOUNTS PAYABLE, SALARIES AND OTHER PAYABLES

At December 31, 2019, the Police Jury had the following payables:

	General Fund	Library Fund	Garbage Maintenance	Health Unit	Public Works	Courthouse and Jail	E-911	Other Governmental	Total
Vendors	\$224,406	\$ 2,817	\$ 591	\$ 514	\$27,166	\$ 53,579	\$ 4,963	\$ 17,476	\$331,512
Payroll	-	-	-	-	-	-	-	31,104	31,104
Total	\$224,406	\$ 2,817	\$ 591	\$ 514	\$27,166	\$ 53,579	\$ 4,963	\$ 48,580	\$362,616

NOTE 11. COMPENSATED ABSENCES

At December 31, 2019, no accrual has been made for accumulated and vested employee benefits as this amount is deemed immaterial.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 12. LONG-TERM LIABILITIES

The following is a summary of the long-term liabilities' transactions and balances for the year ended December 31, 2019:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due w ithin One year
Governmental Activities:					
Claims and judgments payable	177,500	-	-	177,500	-
Note payable	78,121	-	15,882	62,239	18,139
Net pension liability	(216,865)	1,505,161	-	1,288,296	-
OPEB obligation	363,238	31,481	-	394,719	-
Governmental Activities:					
Long-term liabilities	<u>\$ 401,994</u>	<u>\$ 1,536,642</u>	<u>\$ 15,882</u>	<u>\$ 1,922,754</u>	<u>\$ 18,139</u>

Future payment requirements are as follows:

	Principal	Interest
2020	\$ 18,139	\$ 2,565
2021	19,020	1,684
2022	19,943	761
2023	5,137	41
Thereafter	1,860,515	-
	<u>\$ 1,922,754</u>	<u>\$ 5,051</u>

NOTE 13. INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2019, were as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 2,000
Public Works	31,901	2,442
E-911	28,611	-
Other Governmental	25,363	81,433
Total	<u>\$ 85,875</u>	<u>\$ 85,875</u>

The purpose of the interfund transfers was to assist in covering operating expenses.

NOTE 14. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the parish General Fund. However, for the year ended December 31, 2019, the Criminal Fund does not have a year-end balance for transfer. A balance of \$923,652 is due to the General Fund at December 31, 2019, for prior and current year transfers and loans.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 15. LITIGATION AND CLAIMS

At December 31, 2019, the Police Jury is involved in litigation or is aware of claims totaling \$177,500 that are not covered by insurance. Of this amount, \$177,500 has been recorded as a liability in the government-wide financial statements.

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

NOTE 16. RISK MANAGEMENT

The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies.

NOTE 17. LEASES

During the year ended December 31, 2019, the Police Jury had nine ongoing operating leases necessary for the maintenance of the Parish road system. These leases have monthly payments ranging from \$999 to \$3,500. The lease terms are typically 36 to 60 months.

The future minimum lease payments are as follows:

Year Ended December 31st	Future minimum lease payments
2020	\$ 133,473
2021	71,167
2022	71,167
2023	34,514
Total	\$ 310,321

NOTE 18. DEFICIT FUND BALANCE

The Criminal Court Fund was the only nonmajor special revenue fund with a significant deficit fund balance. If the deficit cannot be eliminated through future operations, the general fund will appropriate resources necessary to alleviate the deficit.

NOTE 19. PENSION PLAN

Substantially all employees of the Parish are members of the Parochial Employees' Retirement System (PERS). The plan is administered by a separate board of trustees and is a cost-sharing, multiple-employer defined benefit pension plan. The System issues annual, publicly- available financial reports that include financial statements and required supplementary information for the system. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org. All permanent employees working at least 28 hours per week are eligible to participate in the System.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Police Jury are members of Plan A.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 19. PENSION PLAN (Continued)

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after 7 years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007, is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after 7 years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final average compensation multiplied by his or her years of creditable service. However, under certain conditions the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

Contributions- Per Act 765 of the 1979 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 9.5% of their annual pay. The Parish's contractually required contribution rate was 11.5% for the period ended December 31, 2018, and 11.5% for period January 1, 2019, through December 31, 2019.

Contributions to the System from the Parish for December 31, 2019, 2018, and 2017, were \$386,075, \$379,935, and \$394,933, respectively, equal to the required contributions for each year.

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

At December 31, 2019, the Parish reported a liability of \$1,505,161 for its proportionate share of the net pension liability. The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Parish's proportion of the net pension liability was based on a projection of the Parish's December 31, 2019, contribution to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Parish's proportion was 0.290264%, which was a decrease of 0.001907% from its proportion measured as of December 31, 2017. For the year ended December 31, 2019, The Parish recognized pension expense of \$473,491. At December 31, 2019, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 19. PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 78,486
Net difference between projected and actual earnings on pension plan investments	616,711	-
Changes in proportion and differences between parish contributions and proportionate share of contributions		4,063
Change of assumption	322,116	-
Parish contributions subsequent to the measurement date	386,075	-
	\$ 1,324,902	\$ 82,549

\$386,075 reported as deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:

December 31, 2019	\$	293,554
December 31, 2020		159,274
December 31, 2021		131,018
December 31, 2022		272,432

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 19. PENSION PLAN (Continued)

Actuarial Assumptions – A summary of the actuarial methods and assumptions used in determining the total pension liability (asset) as of December 31, 2019, are as follows:

Valuation Date	December 31, 2018
Actuarial Cost Method	Plan A - Entry Age Normal
Investment Rate of Return	6.50%, Net of Investment Expense, including inflation
Expected Remaining	
Service lives	4 years
Projected Salary Increases	Plan A - 4.75%
Cost of Living Adjustments	The present value of future retirements 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 increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 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.
Inflation Rate	2.40%

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System'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 benefits payments to determine the total pension liability.

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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 19. PENSION PLAN (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long - Term Expected Portfolio Real Rate of Return</u>
Fixed Income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	0.65%
Real Assets	2%	0.11%
Total	<u>100%</u>	<u>5.43%</u>
Inflation		2.00%
Expected Arithmetic Nominal Return		7.43%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013, through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity of the Parish's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Parish's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Parish's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate:

	<u>1.00% Decrease 5.50%</u>	<u>Current Discount Rate 6.50%</u>	<u>1.00% Increase 7.50%</u>
The Parish's Proportionate Share of the Net Pension Liability	\$ 1,443,348	\$ 1,288,296	\$ 41,225

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

NOTE 20. SUBSEQUENT EVENTS

Subsequent events were evaluated through August 22, 2020, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

MADISON PARISH POLICE JURY

Budgetary Comparison Schedules

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

General Fund

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

Library

The Library fund accounts for the operations of the parish library. Financing is provided by a specific parish-wide ad valorem tax.

Garbage Maintenance

The Garbage Maintenance fund accounts for the operations of the parish-wide garbage collection process. Financing is provided by a specific parish-wide ad valorem tax and user fees.

Health Unit

The Health Unit fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parish-wide ad valorem tax.

Public Works

The Public Works fund accounts for the maintenance of the parish highways, streets, and bridges. Financing is provided by a specific parish-wide ad valorem tax.

Courthouse and Jail

The Courthouse and Jail fund accounts for the maintenance and operation of the courthouse and jail. Financing is provided by a specific parish-wide ad valorem tax.

E – 911

The E – 911 fund accounts for the operations of the Madison Parish Communications District. Financing is provided by a specific parish wide ad valorem tax, fees, and surcharges.

**MADISON PARISH POLICE JURY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 676,702	\$ 676,702	\$ 676,702	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	659,057	459,057	436,035	(23,022)
Other taxes, penalties and interest	-	-	1,457	1,457
Licenses and permits	400,100	380,000	147,661	(232,339)
Intergovernmental revenues:				
Federal funds	57,550	72,500	18,557	(53,943)
State funds:				
State revenue sharing (net)	9,700	9,700	6,227	(3,473)
Severance taxes	-	-	14,967	14,967
Other	-	-	202,109	202,109
Fees, charges, and commissions for services	1,500	22,000	1,340	(20,660)
Use of money and property	2,200	3,250	8,388	5,138
Other revenues	170,318	150,250	209,493	59,243
Amounts available for appropriations	1,977,127	1,773,459	1,722,936	(50,523)
Charges to appropriations (outflows)				
General government:				
Legislative	164,050	110,634	129,788	(19,154)
Judicial	-	295,811	425,115	(129,304)
Elections	11,828	39,600	33,301	6,299
Finance and administration	63,265	258,800	192,136	66,664
Other general government	-	40,600	-	40,600
Public safety	-	148,000	159,576	(11,576)
Public works	-	-	310	(310)
Health and welfare	-	36,700	40,065	(3,365)
Culture and recreation	17,000	20,975	25,927	(4,952)
Economic development and assistance	76,217	70,324	55,434	14,890
Transportation	64,716	60,000	56,333	3,667
Miscellaneous	-	-	13,859	(13,859)
Total charges to appropriations	397,076	1,081,444	1,131,844	(50,400)
Budgetary Fund Balance - ending	1,580,051	692,015	591,092	(100,923)
Interfund transfer	5,000	(2,000)	(2,000)	-
GAAP Fund Balance - ending	\$1,585,051	\$ 690,015	\$ 589,092	\$ 100,923

**MADISON PARISH POLICE JURY
LIBRARY
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 1,818,530	\$ 1,818,530	\$ 1,818,530	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	576,630	525,000	544,829	19,829
Intergovernmental revenues:				
Federal funds	7,600	8,600	8,682	82
State funds:				
State revenue sharing (net)	8,000	8,000	5,133	(2,867)
Other state grants	-	-	3,325	3,325
Fees, charges, and commissions for services	2,780	3,600	-	(3,600)
Fines and forfeitures	450	200	210	10
Use of money and property	3,000	4,250	21,357	17,107
Other revenues	-	-	25,434	25,434
	<u>2,416,990</u>	<u>2,368,180</u>	<u>2,427,500</u>	<u>59,320</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
General government:				
Other general government	-	700	-	700
Culture and recreation	213,554	505,000	393,618	111,382
Capital outlay	-	-	109,240	(109,240)
	<u>213,554</u>	<u>505,700</u>	<u>502,858</u>	<u>2,842</u>
Total charges to appropriations				
Budgetary Fund Balance - ending	<u>\$ 2,203,436</u>	<u>\$ 1,862,480</u>	<u>\$ 1,924,642</u>	<u>\$ 62,162</u>

**MADISON PARISH POLICE JURY
GARBAGE MAINTENANCE
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 1,826,173	\$ 1,826,173	\$ 1,826,173	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	457,110	828,000	484,028	(343,972)
Intergovernmental revenues:				
Federal funds	12,000	13,700	13,765	65
State funds:				
State revenue sharing (net)	5,500	4,500	3,512	(988)
Fees, charges, and commissions for services	620,150	565,000	600,536	35,536
Use of money and property	14,000	21,000	22,982	1,982
	<u>2,934,933</u>	<u>3,258,373</u>	<u>2,950,996</u>	<u>(307,377)</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
Public works	915,071	956,000	991,690	(35,690)
	<u>915,071</u>	<u>956,000</u>	<u>991,690</u>	<u>(35,690)</u>
Total charges to appropriations				
Budgetary Fund Balance - ending	2,019,862	2,302,373	1,959,306	(343,067)
Interfund transfer	-	(7,635)	-	7,635
GAAP Fund Balance - ending	<u>\$ 2,019,862</u>	<u>\$ 2,294,738</u>	<u>\$ 1,959,306</u>	<u>\$ (335,432)</u>

**MADISON PARISH POLICE JURY
HEALTH UNIT
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 1,821,179	\$ 1,821,179	\$ 1,821,179	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	157,262	255,255	222,998	(32,257)
Intergovernmental revenues:				
Federal funds	54,100	33,600	54,631	21,031
State funds:				
State revenue sharing (net)	4,500	15,500	2,898	(12,602)
Use of money and property	4,700	6,900	6,965	65
Other revenues	-	-	1,680	1,680
	<u>2,041,741</u>	<u>2,132,434</u>	<u>2,110,351</u>	<u>(22,083)</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
General government:				
Elections	-	-	4,220	(4,220)
Health and Welfare	129,952	134,000	135,569	(1,569)
	<u>129,952</u>	<u>134,000</u>	<u>139,789</u>	<u>(5,789)</u>
Total charges to appropriations				
Budgetary Fund Balance - ending	<u>\$ 1,911,789</u>	<u>\$ 1,998,434</u>	<u>\$ 1,970,562</u>	<u>\$ (27,872)</u>

**MADISON PARISH POLICE JURY
PUBLIC WORKS
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 1,650,293	\$ 1,650,293	\$ 1,650,293	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	2,263,720	1,575,000	2,303,424	728,424
Intergovernmental revenues:				
Federal funds	22,000	42,000	26,078	(15,922)
State funds:				
State revenue sharing (net)	235,000	143,000	28,686	(114,314)
Parish transportation funds	-	-	194,015	194,015
Fees, charges, and commissions for services	200	400	425	25
Use of money and property	8,000	9,400	9,418	18
Other revenues	-	-	3,537	3,537
	<u>4,179,213</u>	<u>3,420,093</u>	<u>4,215,876</u>	<u>795,783</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
General government:				
Finance and administration	-	-	87,533	(87,533)
Public works	1,740,318	2,235,250	2,187,077	48,173
Debt service	-	-	20,704	(20,704)
Capital outlay	-	-	8,827	(8,827)
	<u>1,740,318</u>	<u>2,235,250</u>	<u>2,304,141</u>	<u>(68,891)</u>
Total charges to appropriations	<u>1,740,318</u>	<u>2,235,250</u>	<u>2,304,141</u>	<u>(68,891)</u>
Budgetary Fund Balance - ending	2,438,895	1,184,843	1,911,735	726,892
Interfund transfer	-	17,377	29,459	12,082
GAAP Fund Balance - ending	<u>\$ 2,438,895</u>	<u>\$ 1,202,220</u>	<u>\$ 1,941,194</u>	<u>\$ 738,974</u>

**MADISON PARISH POLICE JURY
COURTHOUSE AND JAIL
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	(Unfavorable)
Budgetary Fund Balance - beginning	\$ 8,041,825	\$ 8,041,825	\$ 8,041,825	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	1,035,630	901,976	1,044,480	142,504
Intergovernmental revenues:				
Federal funds	13,000	15,000	14,949	(51)
State funds:				
Other state grants	-	-	7,104	7,104
Fees, charges, and commissions for services	-	110	-	(110)
Use of money and property	13,000	19,800	68,359	48,559
Other revenues	-	5,140	110	(5,030)
	<u>9,103,455</u>	<u>8,983,851</u>	<u>9,176,827</u>	<u>192,976</u>
Charges to appropriations (outflows)				
General government:				
Judicial	-	-	3,455	(3,455)
Elections	-	8,824	4,298	4,526
Finance and administration	-	18,813	101,774	(82,961)
Other general government	848,800	255,674	-	255,674
Public safety	490,000	594,150	774,660	(180,510)
Capital outlay	-	-	38,403	(38,403)
	<u>1,338,800</u>	<u>877,461</u>	<u>922,590</u>	<u>(45,129)</u>
Budgetary Fund Balance - ending	<u>\$ 7,764,655</u>	<u>\$ 8,106,390</u>	<u>\$ 8,254,237</u>	<u>\$ 147,847</u>

**MADISON PARISH POLICE JURY
E - 911
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2019**

	Budgeted Amount		Amounts	Variance
	Original	Final	(Budgetary basis)	Favorable (Unfavorable)
Budgetary Fund Balance- beginning	\$ 1,321,519	\$ 1,321,519	\$ 1,321,519	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad Valorem	317,140	300,000	319,923	19,923
Other taxes and penalties	163,000	85,000	156,944	71,944
Intergovernmental revenues:				
Federal funds	4,000	4,000	4,578	578
Use of money & property	3,350	1,350	9,552	8,202
Other revenues	-	-	21	21
Amounts available for appropriations	<u>1,809,009</u>	<u>1,711,869</u>	<u>1,812,537</u>	<u>100,668</u>
Charges to appropriations (outflows)				
Public safety	479,631	181,000	575,126	(394,126)
Capital outlay	-	-	145,554	(145,554)
Total charges to appropriations	<u>479,631</u>	<u>181,000</u>	<u>720,680</u>	<u>(539,680)</u>
Budgetary Fund Balance - ending	1,329,378	1,530,869	1,091,857	(439,012)
Interfund transfer	-	-	28,611	28,611
GAAP Budgetary Fund Balance - ending	<u>\$ 1,329,378</u>	<u>\$ 1,530,869</u>	<u>\$ 1,120,468</u>	<u>\$ (410,401)</u>

**MADISON PARISH POLICE JURY
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019**

A. BUDGETS

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

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

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

For the year ended December 31, 2019, budgets were adopted for the general fund and for all special revenue funds, except the Criminal Court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

Appropriations lapse at year-end and must be appropriated for the following year to be expended. All changes in the budgets must be approved by the Board and the grantor agencies.

Formal budgetary integration is employed as a management control device during the year.

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

Budget Basis of Accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when budgeted revenues within a fund are expected to exceed actual revenues by five percent or more and when actual expenditures exceed budgeted expenditures by five percent or more.

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**MADISON PARISH POLICE JURY
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019 - continued**

B. EXCESS OF BUDGETED REVENUES OVER ACTUAL REVENUES IN INDIVIDUAL FUNDS

The following funds had budgeted revenues greater than actual revenues for the year ended December 31, 2019.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 1,096,757	\$ 1,046,234	\$ (50,523)
Garbage Maintenance	1,432,200	1,124,823	(307,377)
Health Unit	311,255	289,172	(22,083)

C. EXCESS OF ACTUAL EXPENDITURES OVER BUDGETED EXPENDITURES IN INDIVIDUAL FUNDS

The following funds had actual expenditures greater than budgeted expenditures for the year ended December 31, 2019:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 1,081,444	\$ 1,131,844	\$ (50,400)
Garbage Maintenance	956,000	991,690	(35,690)
Health Unit	134,000	139,789	(5,789)
Public Works	2,235,250	2,304,141	(68,891)
Courthouse & Jail	877,461	922,590	(45,129)
E-911	181,000	720,680	(539,680)

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Total OPEB Liability	2018	2019
Service cost	\$ -	\$ -
Interest	13,998	14,893
Changes of benefits terms	-	-
Differences between expected and actual experience	(11,279)	(2,134)
Changes of assumptions	(22,178)	44,285
Benefit payments	(24,230)	(25,563)
Net change in total OPEB liability	(43,689)	31,481
Total OPEB liability - beginning	406,927	363,238
Total OPEB liability - ending	\$ 363,238	\$ 394,719
Covered-employee payroll	\$ 270,650	\$ 278,770
Net OPEB liability as a percentage of covered-employee payroll	134.21%	141.59%
Notes to Schedule:		
<i>Benefit Changes</i>	None	None
<i>Changes of Assumptions</i>		
<i>Discount Rate</i>	4.10%	2.74%

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

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
PAROCHIAL EMPLOYEES RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
DECEMBER 31, 2019**

Fiscal Year*	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.338971%	\$ 92,678	\$ 1,922,942	4.48%	99.15%
2016	0.335608%	\$ 883,417	\$ 1,835,600	48.13%	92.23%
2017	0.305684%	\$ 629,560	\$ 1,798,356	35.01%	94.15%
2018	0.292171%	\$ (216,863)	\$ 1,857,231	(11.67%)	101.98%
2019	0.290264%	\$ 1,288,296	\$ 1,892,115	68.09%	88.86%

*- Amounts presented were determined as of the measurement date (previous fiscal year end).

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

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
PAROCHIAL EMPLOYEES RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2019**

Fiscal Year*	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 278,827	\$ 278,827	\$ -	\$ 1,922,942	14.50%
2016	\$ 238,628	\$ 238,628	\$ -	\$ 1,835,600	13.00%
2017	\$ 224,795	\$ 224,795	\$ -	\$ 1,798,356	12.50%
2018	\$ 213,582	\$ 213,582	\$ -	\$ 1,857,231	11.50%
2019	\$ 217,593	\$ 217,593	\$ -	\$ 1,892,115	11.50%

*-Amounts presented were determined as of the end of the fiscal year.

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

SUPPLEMENTAL INFORMATION

**MADISON PARISH POLICE JURY
NONMAJOR SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019**

	Criminal Court	Memorial	Grant Fund	Witness Fees	FEMA Disaster	Emergency Shelter Donation	Group Health Savings	Building Fund	OHSEP	Recreation Board	LCDBG	Total
Assets												
Cash and cash equivalents	\$ 1,133	\$ 10,188	\$ 12,354	\$ 22,935	\$ 9,682	\$ 692	\$ 107,731	\$ 36,411	\$ 902	\$ 5,886	\$ 100	\$ 208,014
Receivables	31,113	-	-	1,720	-	-	-	-	-	-	-	32,833
Interfund Receivables	1,430	-	-	-	-	-	-	-	-	-	-	1,430
Total Assets	33,676	10,188	12,354	24,655	9,682	692	107,731	36,411	902	5,886	100	242,277
Liabilities and Fund Balances												
Liabilities:												
Accounts, salaries and other payables	17,476	-	-	-	-	-	31,104	-	-	-	-	48,580
Interfund payables	923,852	-	-	100	-	-	-	-	14,679	-	-	938,431
Total Liabilities	941,228	-	-	100	-	-	31,104	-	14,679	-	-	987,011
Fund Balances (Deficit):												
Restricted	(907,452)	10,188	12,354	24,555	9,682	692	76,627	36,411	(13,777)	5,886	100	(744,734)
Total Liabilities and Fund Balances	\$ 33,676	\$ 10,188	\$ 12,354	\$ 24,655	\$ 9,682	\$ 692	\$ 107,731	\$ 36,411	\$ 902	\$ 5,886	100	\$ 242,277

**MADISON PARISH POLICE JURY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS FOR THE YEAR ENDED DECEMBER 31, 2019**

	Criminal Court	Memorial	Grant Fund	Witness Fees	FEMA Disaster	Emergency Shelter Donation	Group Health Insurance	Building Fund	OHSEP	Recreation Board	LCDBG	Total
Revenues												
Local sources:												
License and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,075	\$ -	\$ -	\$ -	\$ 8,075
Intergovernmental revenues:												
Federal funds - federal grants	-	-	382	-	28,946	-	-	-	-	-	7,328	226,656
State funds:												
State Revenue Sharing	-	-	-	-	-	-	-	-	54,522	-	-	54,522
Other	-	-	14,076	-	-	-	-	-	-	-	-	14,076
Fees, charges, and commissions												
for services	21,066	-	-	21,270	-	-	-	-	-	-	-	42,336
Fines and forfeitures	348,233	-	-	-	-	-	-	-	-	-	-	348,233
Use of money and property	253	11	-	175	-	8	448	496	-	82	-	1,473
Other revenues	37,240	38	-	-	-	-	-	-	-	-	-	37,278
Total Revenues	406,792	49	14,458	21,445	28,946	8	448	8,571	54,522	82	7,328	732,649
Expenditures												
Current:												
General government:												
Judicial	538,757	-	-	550	-	-	-	-	-	-	-	539,307
Finance and administrative	-	-	-	-	-	-	-	3,908	-	-	-	3,908
Public safety	-	-	-	-	-	2,580	-	-	31,293	-	-	33,873
Public works	-	-	11,826	-	24,217	-	-	-	-	-	1,745	37,788
Culture and recreation	-	77	-	-	-	-	-	-	-	1,215	-	1,292
Transportation	-	-	2,250	-	-	-	-	-	-	-	13,606	15,856
Total Expenditures	538,757	77	14,076	550	24,217	2,580	-	3,908	31,293	12,15	15,351	632,024
Excess (Deficiency) of Revenues Over Expenditures	(13,965)	(28)	382	20,895	194,729	(2,572)	448	4,663	23,229	(1,133)	(8,023)	100,625
Other Financing Sources (Uses)												
Transfers in	20,921	-	-	-	-	-	-	-	-	2,000	2,442	25,363
Transfers out	-	-	-	(20,921)	-	-	(14,524)	(17,377)	(28,611)	-	-	(81,433)
Total Other financing Sources (Uses)	20,921	-	-	(20,921)	-	-	(14,524)	(17,377)	(28,611)	2,000	2,442	(66,070)
Net Change in Fund Balances	(111,044)	(28)	382	(26)	194,729	(2,572)	(14,076)	(12,714)	(5,382)	867	(5,581)	44,555
Fund Balances - beginning	(796,408)	10,216	11,972	24,581	(185,047)	3,264	90,703	49,125	(8,395)	5,019	5,681	(789,289)
Fund Balances - ending	\$ (907,452)	\$ 10,188	\$ 12,354	\$ 24,555	\$ 9,682	\$ 692	\$ 76,627	\$ 36,411	\$ (13,777)	\$ 5,886	\$ 100	\$ (744,734)

MADISON PARISH POLICE JURY

GENERAL

COMPENSATION PAID POLICE JURORS. The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Madison Parish Police Jury members is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:1233.

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

Robert D. Fortenberry, President	\$ 24,000
Patricia A. Buchanan	6,400
Betsy K. Buchanan	12,232
Johnny Hughes	19,200
Stanley Ogden	19,200
Jane G. Sanders	<u>19,200</u>
Total	<u>\$ 100,232</u>

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS,
REIMBURSEMENTS AND OTHER PAYMENTS TO AGENCY HEAD
DECEMBER 31, 2019**

Robert D. Fortenberry, President

Salary and expense amount	\$ 25,004
Conference - travel	<u>325</u>
Total	<u>\$ 25,329</u>

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Police Jurors
Madison Parish Police Jury
Tallulah, 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 Madison Parish Police Jury, a component unit of the Madison Parish Police Jury, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Madison Parish Police Jury's basic financial statements, and have issued our report thereon dated August 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Madison Parish 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 Madison Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Madison Parish 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 a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Madison Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is identified as 19-01 in the schedule of findings and questioned costs.

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.

The Halford Firm, PLLC

Vicksburg, Mississippi
August 22, 2020

**MADISON PARISH POLICE JURY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2019**

Part I – Summary of the Auditor’s Results:

1. The type of audit report was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund and the aggregate remaining fund information of the Madison Parish Police Jury.
2. There were no deficiencies in internal control over financial reporting disclosed in the audit of the financial statements.
3. One instance of noncompliance was disclosed in the audit of the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**Part II – Findings related to the financial statements that are required to be reported under
Government Auditing Standards:**

19-01 Local Budget Act

Finding:

The Louisiana Local Government Budget Act requires budgets be amended if expected actual revenues are five percent less than budgeted revenues, or expected actual expenditures are five percent greater than budgeted expenditures. The Police Jury had actual revenues less than budgeted revenues by more than five percent in the Garbage Maintenance Fund and Health Unit Fund. The Police Jury had actual expenditures which exceeded budgeted expenditures greater than five percent in the Courthouse & Jail and E911 Funds. The agency is in violation of Louisiana Revised Statute LSA-RS 39:1309-1310.

Recommendation:

The Police Jury should monitor the budget closely and amend the budget as necessary in order to comply with the Local Government Budget Act.

Management’s Response:

The Police Jury concurs with the finding and will monitor and amend the budget as necessary in the future.

**MADISON PARISH POLICE JURY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR YEAR ENDED DECEMBER 31, 2019**

The following is a summary of the status of the prior year findings included in the auditor's report dated August 11, 2019, covering the examination of the financial statements of the Madison Parish Police Jury as of and for the year ended December 31, 2018.

18-01 Local Budget Act

Finding:

The Louisiana Local Government Budget Act requires budgets be amended if expected actual revenues are five percent less than budgeted revenues, or expected actual expenditures are five percent greater than budgeted expenditures. The Police Jury had actual revenues less than budgeted revenues by more than five percent in the General Fund. The Police Jury had actual expenditures which exceeded budgeted expenditures greater than five percent in the revenue by more than five percent in the Courthouse and Jail Fund. The agency is in violation of Louisiana Revised Statute LSA-RS 39:1309-1310.

Status:

This finding was not resolved by December 31, 2019, and is a repeat finding for the current year.

18-02 Failure to File Audit Report Timely

Finding:

Louisiana Revised Statute 24:513 requires all audit engagements to be completed and transmitted to the Legislative Auditor within six months of the close of the fiscal year end. Accordingly, the Madison Parish Police Jury's audit for the year ended December 31, 2017, was due to the Legislative Auditor by June 30, 2019.

Status:

This finding was resolved.

**STATEWIDE
AGREED-UPON PROCEDURES**

THE HALFORD FIRM, PLLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of Madison Parish Police Jury
and the Louisiana Legislative Auditor,

We have performed the procedures enumerated below, which were agreed to by the Madison Parish Police Jury and the Louisiana Legislative Auditor (LLA), solely to assist the users in evaluating management's assertions about the Madison Parish Police Jury's compliance with certain laws and regulations during the fiscal year ended December 31, 2019, included in the Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures (SAUPs). The Madison Parish Jury's management is responsible for those control and compliance (C/C) areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

-continued

Written Policies and Procedures - continued

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-11121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirements that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to non-profits.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Madison Parish Police Jury has written policies and procedures for the above listed items, with the exception of receipts/collections, debt service, and disaster recovery.

Board or Finance Committee

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:

-continued

Written Policies and Procedures – continued
Board or Finance Committee - continued

- 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.

The governing board met (with a quorum) at least two times each month in 2019.

- 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 fund. *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.*

The minutes did not reference budget-to-actual comparisons in 2019.

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

The General Fund did not have a negative ending fund balance.

Bank Reconciliations

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

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged.)

All reconciliations included evidence that they were prepared within two months of the statement closing date.

- 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

The reconciliations did not include evidence that they were reviewed by a member of management.

- 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.

None of the reviewed reconciliations had items that had been outstanding for more than twelve months.

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Written Policies and Procedures – continued
Collections

The following procedures were not performed because there were no exceptions noted in the prior year.

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).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, systems report, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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Written Policies and Procedures – continued

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

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).

All payments are processed in the Police Jury's main office in the Madison Parish Courthouse. (One location)

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 jobs 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:

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

On all tested transactions at least two employees were involved in initiating, approving, and making the purchase.

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

On all items tested at least two employees were involved in processing and approving payment.

- 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.

The accounts payable clerk can add vendors to the vendor list.

- 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.

The employee who processes payments does not mail the payment.

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) 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.

No exceptions noted.

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Written Policies and Procedures – continued
Credit Cards/Debit Cards/Fuel Cards/P-Cards

The following procedures were not performed since the no exceptions were noted in the prior year.

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.
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:
 - 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 (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

The following procedures were not performed since there were no exceptions in this area in the prior year.

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

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Written Policies and Procedures – continued

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

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

Contracts

The following procedures were not performed since there were no exceptions in the prior year.

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, lease, 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:
 - 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.
 - 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).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - 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.

Payroll and Personnel

The following procedures were not performed since there were no exceptions in the prior year.

- 16. Obtain a listing employees/elected official 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.
- 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:
 - 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.)

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Written Policies and Procedures – continued
Payroll and Personnel – continued

- b) Observe that supervisors approved the attendance and leave of the selected employee/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
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.
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.

Ethics

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.
 - 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.

The Police Jury had documentation that the five selected employees completed a one hour ethics training and each signed verification of the training.

Debit Service

The following procedures were not performed since there were no exceptions in the prior year.

21. Obtain a listing of bond/notes issued during the fiscal period and management's representation that the listing is complete. Select all bond/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bond/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

-continued

Written Policies and Procedures – continued

Other

The following procedures were not performed because there were no exceptions in the prior year.

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.
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.

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 an 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 Louisiana Legislative Auditor as a public document.

The Halford Firm, PLLC

Vicksburg, Mississippi
August 22, 2020