

**BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana**

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED MARCH 31, 2020

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Annual Financial Report
As of and for the Year Ended March 31, 2020

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BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

March 31, 2020

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J. Aaron Cooper, CPA, LLC

P.O. Box 918 • 106 West Nezpique Street • Jennings, Louisiana 70546

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants.

Recipient of Advanced Single Audit Certificate

INDEPENDENT AUDITOR'S REPORT

President and Members of the
Beauregard Parish Police Jury
DeRidder, Louisiana

Report on Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish Police Jury as of March 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
Parishwide Road Special Revenue Fund	Unmodified
Road District No. 6 Special Revenue Fund	Unmodified
Solid Waste Special Revenue Fund	Unmodified
Health Unit Fund Special Revenue Fund	Unmodified
S. Beau. Recreation District No. 2 Special Revenue Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include certain legally separate component units, as further discussed in Note 1. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the omitted discretely presented component units has not been determined.

Adverse Opinion on Aggregate Discretely Presented Component Units

In my opinion, because of the significance of the matter described in the *Basis for Adverse Opinion on Aggregate Discretely Presented Component Units* paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component units of the Beauregard Parish Police Jury as of March 31, 2020, or the respective changes in financial position for the year then ended.

Unmodified Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish Police Jury as of March 31, 2020, and the respective changes in financial position 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 budgetary comparison information, employer's share of net pension liability, and employer pension contributions 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 primarily of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Beauregard Parish Police Jury's basic financial statements. The combining and individual nonmajor fund financial statements and the schedules of compensation paid to jury members and the chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements and the schedule of compensation paid to jury members are fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated September 30, 2020, on my consideration of the Police Jury's internal control over financial reporting and on my 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 my testing of 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 Police Jury's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style.

Jennings, Louisiana
September 30, 2020

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Statement A

Statement of Net Position
March 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 18,673,983
Investments	101,601
Receivables	1,689,466
Inventory	451,920
Prepaid expenses	160,937
Land	920,333
Buildings and improvements	25,776,367
Furniture and equipment	5,857,358
Infrastructure	10,757,571
Construction in progress	<u>322,400</u>
Total assets	64,711,936
DEFERRED OUTFLOWS OF RESOURCES	
Pension-related deferrals	345,932
LIABILITIES	
Accounts, salaries, and other payables	741,876
Interest payable	33,312
Compensated absences payable	89,137
Net pension liability	51,585
Long-term liabilities:	
Due within one year	1,307,000
Due in more than one year	<u>7,601,000</u>
Total liabilities	9,823,910
DEFERRED INFLOWS OF RESOURCES	
Pension-related deferrals	880,464
NET POSITION	
Net investment in capital assets	34,726,029
Restricted for:	
Inventory	498,768
Equipment purchases	196,760
Public safety	1,468,098
Public works	7,227,759
Health and welfare	2,342,541
Culture and recreation	1,969,956
Sanitation	3,384,475
Other general government	754,307
Debt service	104,286
Unrestricted	<u>1,680,515</u>
TOTAL NET POSITION	<u>\$ 54,353,494</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended March 31, 2020

FUNCTIONS/PROGRAMS	Program Revenues			Governmental Activities - Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government:				
Legislative	\$ 331,741	\$ -	\$ -	\$ -
Judicial	1,423,057	730,425	-	-
Elections	109,114	-	-	-
Finance and administrative	571,548	241,829	-	-
Other general government activities	277,820	-	-	-
Public safety	1,954,368	-	56,429	-
Public works	7,698,271	108,814	523,901	-
Health and welfare	533,037	-	-	-
Culture and recreation	1,000,912	-	-	-
Sanitation	1,937,883	59,278	-	-
Other activities	59,815	-	-	-
Interest on long-term debt	253,612	-	-	-
Total governmental activities	\$ 16,151,178	\$ 1,140,346	\$ 580,330	\$ -
Taxes:				
Ad valorem taxes				7,138,155
Severance taxes				1,735,664
Sales taxes				7,212,861
State revenue sharing, unrestricted				123,675
Other taxes				157,139
Interest and investment earnings				201,497
Special items:				
Miscellaneous				1,189,350
Loss on disposal of assets				2,071
Total general revenues and special items				17,760,412
Change in net position				3,329,910
Beginning net position				51,023,584
Ending net position				\$ 54,353,494

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

March 31, 2020

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FUND FINANCIAL STATEMENTS

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Balance Sheet - Governmental Funds
March 31, 2020

	General Fund	Parishwide Road Special Revenue	Road District No. 6 Special Revenue	Solid Waste Special Revenue
Assets				
Equity in pooled cash	\$ 1,905,797	\$ 358,526	\$ 2,128,781	\$ 3,277,267
Investments	-	-	-	-
Receivables	521,775	268,985	38,152	269,911
Interfund receivable	74,145	-	-	-
Inventory	-	44,917	68,938	-
Prepaid items	42,573	59,627	1,913	-
Total assets	\$ 2,544,290	\$ 732,055	\$ 2,237,784	\$ 3,547,178
Liabilities				
Liabilities:				
Accounts payable	\$ 94,789	\$ 32,498	\$ 12,195	\$ 162,703
Payroll liabilities	139,688	5,899	1,113	-
Interfund payable	-	-	-	-
Total liabilities	234,477	38,397	13,308	162,703
Deferred inflows of resources				
Unavailable revenue	34,087	-	8,384	-
Total deferred inflows of resources	34,087	-	8,384	-
Fund balances				
Non-spendable	-	44,917	68,938	-
Restricted:				
Purchases of equipment	-	196,760	-	-
Public safety	-	-	-	-
Public works	-	496,898	2,147,154	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Sanitation	-	-	-	3,384,475
Other general government	-	-	-	-
Debt service	-	-	-	-
Unassigned	2,275,726	(44,917)	-	-
Total fund balances	2,275,726	693,658	2,216,092	3,384,475
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,544,290	\$ 732,055	\$ 2,237,784	\$ 3,547,178

Statement C

Health Unit Special Revenue	South Beau. Rec. Dist. No. 2 Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,321,759	\$ 1,440,889	\$ 7,240,964	\$ 18,673,983
-	-	101,601	101,601
46,980	13,358	530,305	1,689,466
-	-	-	74,145
-	-	338,065	451,920
<u>5,135</u>	<u>4,841</u>	<u>46,848</u>	<u>160,937</u>
<u>\$ 2,373,874</u>	<u>\$ 1,459,088</u>	<u>\$ 8,257,783</u>	<u>\$ 21,152,052</u>
\$ 4,343	\$ 70,602	\$ 206,293	\$ 583,423
2,112	-	9,641	158,453
<u>-</u>	<u>-</u>	<u>74,145</u>	<u>74,145</u>
6,455	70,602	290,079	816,021
<u>24,878</u>	<u>8,288</u>	<u>82,635</u>	<u>158,272</u>
24,878	8,288	82,635	158,272
-	-	384,913	498,768
-	-	-	196,760
-	-	1,468,098	1,468,098
-	-	4,583,707	7,227,759
2,342,541	-	-	2,342,541
-	1,380,198	589,758	1,969,956
-	-	-	3,384,475
-	-	754,307	754,307
-	-	104,286	104,286
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,230,809</u>
<u>2,342,541</u>	<u>1,380,198</u>	<u>7,885,069</u>	<u>20,177,759</u>
<u>\$ 2,373,874</u>	<u>\$ 1,459,088</u>	<u>\$ 8,257,783</u>	<u>\$ 21,152,052</u>

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
March 31, 2020

Total fund balances at year end - governmental funds		\$ 20,177,759
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues that are recognized on the full accrual basis for the government-wide financial statements but are not recognized in the funds (unavailable revenue) because they are not considered "available."		158,272
Capital assets are not financial resources and, therefore, not reported in the funds.		
Cost of capital assets at year end	\$ 97,385,171	
Less - accumulated depreciation at year end	<u>(53,751,142)</u>	43,634,029
Long-term liabilities and interest payable are not due and payable in the current period and are not reported in the funds.		
Long-term liabilities at year end:		
Compensated absences	(89,137)	
Bonds payable	(8,233,000)	
Certificates of indebtedness	(675,000)	
Net pension liability	(51,585)	
Accrued interest payable	<u>(33,312)</u>	(9,082,034)
Pension-related deferrals:		
Outflows	345,932	
Inflows	<u>(880,464)</u>	<u>(534,532)</u>
Net position at year end - governmental activities		<u>\$ 54,353,494</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

March 31, 2020

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BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended March 31, 2020

	General Fund	Parishwide Road Special Revenue	Road District No. 6 Special Revenue	Solid Waste Special Revenue
Revenues:				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 970,135	\$ -	\$ 1,528,819	\$ -
Sales and use taxes	-	1,943,468	104,114	2,776,383
Other taxes	52,774	-	-	-
Licenses and permits	241,829	70,564	16,750	-
Fees, charges, and commissions for services	-	-	-	59,278
Fines and forfeitures	-	-	-	-
Interest income	20,733	5,861	17,903	34,438
Other	92,332	143,590	25,635	4,804
State sources:				
Parish transportation funds	-	512,236	-	-
State revenue sharing	45,927	-	10,974	-
Severance taxes	1,735,664	-	-	-
Other state funds	112,272	18,246	-	-
Federal sources				
Federal sources	-	-	-	-
Total revenues	3,271,666	2,693,965	1,704,195	2,874,903
Expenditures:				
General Government:				
Legislative	331,741	-	-	-
Judicial	249,579	-	-	-
Elections	105,107	-	-	-
Finance and administrative	559,085	-	-	-
Other general government activities	92,781	-	-	-
Public safety	905,462	-	-	-
Public works	-	2,580,433	737,675	-
Health and welfare	58,343	-	-	-
Culture and recreation	29,647	-	-	-
Sanitation	-	-	-	1,937,883
Other activities	59,815	-	-	-
Capital projects	52,033	-	7,843	-
Debt service	-	-	-	-
Total expenditures	2,443,593	2,580,433	745,518	1,937,883
Excess (deficiency) of revenues over (under) expenditures	828,073	113,532	958,677	937,020
Other financing sources (uses):				
Proceeds from sale of assets	-	289	-	-
Issuance of debt	-	-	-	-
Transfers in/(out)	(56,243)	-	(749,554)	(600,000)
Total other financing sources (uses)	(56,243)	289	(749,554)	(600,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	771,830	113,821	209,123	337,020
Beginning fund balances	1,503,896	579,837	2,006,969	3,047,455
Ending fund balances	\$ 2,275,726	\$ 693,658	\$ 2,216,092	\$ 3,384,475

The accompanying notes are an integral part of this statement.

Statement E

Health Unit Special Revenue	South Beau. Rec. Dist. No. 2 Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
\$ 621,852	\$ 852,250	\$ 3,119,863	\$ 7,092,919
-	-	2,388,896	7,212,861
-	-	104,365	157,139
-	-	21,500	350,643
-	-	-	59,278
-	-	730,425	730,425
26,299	11,860	84,407	201,501
40,190	72,707	424,854	804,112
-	-	-	512,236
11,625	-	55,149	123,675
-	-	-	1,735,664
-	-	322,807	453,325
-	-	-	-
<u>699,966</u>	<u>936,817</u>	<u>7,252,266</u>	<u>19,433,778</u>
-	-	-	331,741
-	-	780,871	1,030,450
-	-	-	105,107
-	-	-	559,085
-	-	7,520	100,301
-	-	1,357,397	2,262,859
-	-	3,323,673	6,641,781
452,172	-	-	510,515
-	153,143	674,144	856,934
-	-	-	1,937,883
-	-	-	59,815
-	219,118	1,553,352	1,832,346
-	48,830	1,518,487	1,567,317
<u>452,172</u>	<u>421,091</u>	<u>9,215,444</u>	<u>17,796,134</u>
247,794	515,726	(1,963,178)	1,637,644
-	-	1,782	2,071
-	-	-	-
<u>(210,000)</u>	<u>(196,970)</u>	<u>1,812,768</u>	<u>1</u>
<u>(210,000)</u>	<u>(196,970)</u>	<u>1,814,550</u>	<u>2,072</u>
37,794	318,756	(148,628)	1,639,716
<u>2,304,747</u>	<u>1,061,442</u>	<u>8,033,697</u>	<u>18,538,043</u>
<u>\$ 2,342,541</u>	<u>\$ 1,380,198</u>	<u>\$ 7,885,069</u>	<u>\$ 20,177,759</u>

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended March 31, 2020

Total net change in fund balances - governmental funds		\$ 1,639,716
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Revenues that are recognized on the full accrual basis for the government-wide financial statements but are not recognized in funds because they are not considered "available."</p>		
Change in deferred revenue		45,237
<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 exceeds capital outlays in the period:</p>		
Depreciation expense	\$ (2,948,770)	
Capital outlays	<u>3,270,976</u>	322,206
<p>Repayment of bond principal and certificates of indebtedness is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Proceeds of bond issues is an other source in the governmental funds but increases long-term liabilities in the Statement of Net Position:</p>		
Principal payments		1,311,000
<p>In the Statement of Activities, certain operating expenses are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount actually paid). This is the amount by which the amounts incurred exceeds the amount actually paid.</p>		
Change in compensated absences payable		13,662
Change in net pension liability and pension-related deferrals		(4,615)
<p>Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.</p>		
Change in accrued interest payable		<u>2,704</u>
Change in net position of governmental activities		<u><u>\$ 3,329,910</u></u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

March 31, 2020

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**NOTES TO THE
FINANCIAL STATEMENTS**

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Notes to the Financial Statements
As of and for the Year Ended March 31, 2020

INTRODUCTION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

The Beauregard Parish Police Jury is the governing authority for Beauregard Parish and is a political subdivision of the State of Louisiana. The Police Jury enacts ordinances, set policy, and establishes programs under the provisions of Louisiana Revised Statute 33:1236. The Police Jury operates under an elected jury of ten members. The Police Jury's operations include streets and highways, sanitation, planning and zoning, public health and welfare services, as well as judicial and administrative activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Beauregard Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the Police Jury is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Police Jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

Component units are defined by GASB No. 14 as other legally separate organizations for which the elected Police Jury members are financially accountable. The following entities are included as blended component units in these financial statements:

War Memorial Civic Center Board	Beauregard Tourist Commission
Fire Protections District No. 2	Fire Protection District No. 4
South Beauregard Recreation District No. 2	Beauregard Parish Covered Arena Authority

The following component units are NOT included in these financial statements:

Beauregard Parish Clerk of Court	Beauregard Parish Tax Assessor
Beauregard Parish Hospital Service District No. 2	District Attorney for the 36th Judicial District
Beauregard Parish Communications District	Beauregard Parish Library
Beauregard Parish Airport District No. 1	Beauregard Parish Waterworks District No. 2
Beauregard Parish Waterworks District No. 3	Beauregard Parish Waterworks District No. 5
Beauregard Parish Fire Protection District No. 1	Beauregard Parish Fire Protection District No. 3
Justice of the Peace District No. 1	Justice of the Peace District No. 2
Justice of the Peace District No. 4	Justice of the Peace District No. 5

There are no other primary governments with which the Police Jury has a significant relationship.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

C. FUND ACCOUNTING

The Police Jury uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts.

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

1. The General Fund is the general operating fund of the Police Jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
3. Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the Police Jury.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues included in the Statement of Activities (Statement B) include amounts received 1) from those who purchase, use, or directly benefit from a program, or 2) from parties outside the Police Jury's taxpayers or citizenry that are restricted to one or more specific programs. Program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
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Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund financial statements report detailed information about the Police Jury. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The Police Jury reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Parishwide Fund accounts for the maintenance of roads and bridges on a parish-wide basis. Major means of financing is provided by 70% of a 1% sales and use tax and the State of Louisiana Parish Transportation Fund as well as grants from the Louisiana Department of Transportation and Development.
- Road District No. 6 Fund accounts for road maintenance activities in Ward 6. These activities are funded primarily through ad valorem taxes on property within the district.
- The Solid Waste Fund accounts for funds dedicated to expenditures for the collection and disposal of solid waste in the rural areas of Beauregard Parish. Financing is provided by a 1% sales tax in the serviced areas of the parish. Additional financing is provided by the Town of Merryville for the collection and disposal of solid waste within its corporate limits.
- The Health Unit Fund accounts for the operations of the parish health unit. Financing is provided by a special property tax levy and by state revenue sharing funds.
- South Beauregard Recreation District No. 2 Special Revenue Fund accounts for the collections of ad valorem taxes to be used for recreation purposes.

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Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 Police Jury generally considers all revenues available if they are collected within 60 days after the fiscal year end. For reimbursements under grant programs, revenues are recognized when the related expenditure is made. Management feels that the financial statements would be misleading if these revenues were not recorded. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments 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. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December, January, and February of the fiscal year. Ad valorem taxes considered collectible at year end, as well as related state revenue sharing, are recognized as revenue in the period the taxes are levied. Sales and use tax revenues are recorded in the month that the original taxable transaction occurred. Federal and state grants are recorded when the reimbursable expenditures have been incurred. Substantially all other revenues are recorded when received.

Expenditures

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

The cost of goods and services are recorded as expenditures when the goods are services are delivered. Salaries are recorded as earned. Principal and interest on general long-term obligations are recognized when due. Inventory is expensed when consumed. Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the government-wide financial statements. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Increases (decreases) in net current assets arising from sources other than revenues (expenditures) are accounted for as other financing sources (uses). Such transactions include transfers between funds that are not expected to be repaid, capital lease transactions, sale of fixed assets, and long-term debt proceeds. These other financing sources (uses) are recognized at the time the underlying events occur.

BEAUREGARD PARISH POLICE JURY
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E. BUDGETS

The Police Jury adopts budgets for all funds under its direct control. The Police Jury uses the following budget practices:

1. The notice for the public hearing regarding the budget for the fiscal year ended March 31, 2020, was published March 25, 2019. The budget was available for viewing from that date until the date of the public hearing March 26, 2019. The budget was formally adopted on March 26, 2019. The budget must be adopted no later than April 15th each year.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted expenditures by five percent or more, a budget amendment is adopted by the Police Jury in an open meeting. The superintendent of the Police Jury has the authority to transfer amounts between accounts within any fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances are recorded at the time the purchasing system generates a purchase order and are liquidated at the time the corresponding expenditure is recognized. Outstanding encumbrances lapse at year-end. To the extent the Police Jury intends to honor the purchase orders and commitments, they are disclosed in the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and short-term investments with original maturities of three months 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.

H. INVESTMENTS

Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. These laws and policies are designed to minimize credit risk. The Police Jury's investments include obligations of the United States or its agencies. These investments are recorded at cost, which approximates fair value.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

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Notes to the Financial Statements

J. INVENTORIES AND PREPAID ITEMS

Inventory of the General Fund consists of expendable supplies and are recorded on the consumption method. These items are recorded at the lower of cost (first-in, first-out) or market value. Inventory consists primarily of road construction and repair materials located at the various maintenance facilities. Inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the Police Jury, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10-40 years
Infrastructure	40 years
Furniture and fixtures	10 years
Equipment	5-10 years

L. COMPENSATED ABSENCES

The Police Jury has the following policies relating to compensated absences:

Annual leave is earned for all full-time employees at the following rates:

<u>Years of service</u>	<u>Rate</u>
0-2	3 hours per pay period (9.75 days annually)
3-4	4 hours per pay period (13.00 days annually)
5-9	5 hours per pay period (16.25 days annually)
10-14	6 hours per pay period (19.50 days annually)
Over 15	8 hours per pay period (26.00 days annually)

Accumulated annual leave is capped at 20 days. Sick leave is earned for full-time employees at the rate of 13 days per calendar year. Sick leave can be accumulated up to a maximum of 60 days. Sick leave is not paid out upon termination. The cost of leave privileges not requiring current resources is recorded in the government-wide financial statements.

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M. DEFERRED INFLOWS OF RESOURCES

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

N. RESTRICTED NET POSITION

For government-wide statement of net position, net position are reported as restricted when constraints placed on net asset use are either, 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

O. FUND BALANCES

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Police Jury classifies governmental fund balances as follows:

- *Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- *Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation.
- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internal imposed by the Policy Jury through formal action of the Police Jury itself and does not lapse at year-end.
- *Assigned* - Includes fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted or committed. Fund balance can be assigned by the Secretary/Treasurer.
- *Unassigned* - includes fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

P. EQUITY FLOW ASSUMPTIONS

When outlays can be made from both restricted and unrestricted resources, it is the Police Jury's policy to deplete restricted resources first before unrestricted resources are applied.

Q. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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R. SALES AND USE TAXES

The Solid Waste Special Revenue Fund collects a 1% sales and use tax within the jurisdiction of the district. This tax will be collected for a period of ten years, beginning April 1, 1996, and its proceeds are dedicated towards the expenditures necessary for the collection and disposal of solid waste within the jurisdiction of the district. The tax was renewed by the voters of the applicable Districts for an additional ten-year period effective April 1, 2016. Thereafter, any funds remaining from such sources of revenue on December 31 of each year may be deposited and expended in the ensuing fiscal year equally between the six work zones for the purpose of constructing, improving, and maintaining public roads and bridges within the district. Tax revenues for this tax totaled \$2,776,383 for the year ended March 31, 2020.

The Police Jury collects a second 1% sales and use tax within the jurisdiction of the district. This tax was passed by voters originally effective in 1991. The 1% sales and use tax was renewed by the voters of the applicable Districts effective October 1, 2019, for a ten-year period. Its proceeds (after paying the reasonable and necessary expenditures of collecting and administering the tax) will be deposited into the Parishwide Road Fund and are dedicated for the purposes of constructing, improving, operating and maintaining roads and bridges within the district and acquiring the necessary equipment thereof, and allocated 35% to Parishwide work crews, 35% to equipment and equipment repairs, and the remaining 30% to be divided equally among the eight road districts for materials and supplies. Tax revenues for this tax totaled \$2,776,380 for the year ended March 31, 2020.

On December 8, 2012, voters approved a 1/4% sales and use tax for the purpose of constructing, expanding, improving, renovating, operating and maintaining the Beauregard Parish Courthouse, including acquiring equipment, fixtures and furnishings therefore, and/or servicing of debt used for such expenditures. The tax will expire on December 31, 2028. Proceeds of the tax are accounted for in the Courthouse Sales Tax Special Revenue Fund. Tax revenues for this tax totaled \$1,660,098 for the year ended March 31, 2020.

S. 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.

T. TOTAL COLUMNS ON FUND FINANCIAL STATEMENTS

Total columns on the fund financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

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Notes to the Financial Statements

2. LEVIED TAXES AND PRINCIPAL TAXPAYERS

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parishwide taxes		
General Fund:		
Inside corporate limits	2.13	2.13
Outside corporate limits	4.26	4.26
Special Revenue Funds:		
Health Unit	2.42	2.42
War Memorial Civic Center	1.25	1.25
District taxes		
Special Revenue Funds:		
Road District No. 2	6.13	6.13
Road District No. 3	5.15	5.15
Road District No. 4	32.82	32.82
Road District No. 5	17.51	17.51
Road District No. 6	23.04	23.04
Road District No. 7	32.20	32.20
Road District No. 8	25.95	25.95
Fire Protection District No. 2	6.83	6.83
Fire Protection District No. 4	24.52	24.52
South Beauregard Recreation District No. 2	10.00	10.00
Debt Service Funds:		
Fire Protection District No. 2	2.00	0.80

The only taxpayer with assessed valuation in excess of 5% of total assessments was Packaging Corporation of America ("PCA"). PCA's total assessed valuation was approximately \$50,000,000 generating approximately \$500,000 in ad valorem taxes for the Police Jury.

3. DEPOSITS

At March 31, 2020, the Police Jury has cash and interest-bearing deposits (book balances) of \$18,673,982. Of that amount, \$12,516,758 is held and managed by the Louisiana Asset Management Pool (LAMP). Under state law, these deposits (excluding the deposits at LAMP) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that, in the event of a bank failure, the Police Jury's deposits may not be recovered. Under state law, the Police Jury's deposits must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal

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deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the Police Jury or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties. At March 31, 2020, the Police Jury has \$6,310,531 in deposits (collected bank balances) in local financial institutions. These deposits are secured from risk by \$750,000 of federal deposit insurance and \$5,560,531 of pledged securities held by the custodial bank pledged in the name of the Police Jury. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-RS 33:2955. LAMP is rated AAAM by Standard & Poor's.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days (762 days for U.S. Government floating/variable rate investments). LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool share.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP issues a publicly available financial report that includes financial statements and required supplementary information for LAMP. That report may be obtained by writing to the LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, Louisiana 70130.

4. INVESTMENTS

The Police Jury generally invests in U.S. Treasury and U.S. agency securities as well as certificates of deposit with local banks. At March 31, 2020, the Police Jury had a certificate of deposit totaling \$101,601.

Although the Police Jury's policy does not formally address credit or interest rate risk, it does emphasize safety and liquidity over investment return. This policy does limit exposure to fluctuations in interest rates due to the short-term nature of securities purchased and the Police Jury's intent and ability to hold debt securities to maturity.

5. RECEIVABLES

The receivables at March 31, 2020, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
Taxes:					
Ad valorem	\$ 41,694	\$ 173,167	\$ -	\$ 1,047	\$ 215,908
Sales	-	695,013	-	-	695,013
Severance	424,748	-	-	-	424,748
State revenue sharing	15,309	25,916	-	-	41,225
Other	40,024	272,548	-	-	312,572
Total	<u>\$ 521,775</u>	<u>\$ 1,166,644</u>	<u>\$ -</u>	<u>\$ 1,047</u>	<u>\$ 1,689,466</u>

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Notes to the Financial Statements

6. CAPITAL ASSETS

The changes in capital assets follow:

<u>Governmental Activities</u>	Balance, Beginning of Year	Additions	Deletions	Transfers	Balance, End of Year
Capital assets not being depreciated:					
Land	\$ 920,333	\$ -	\$ -	\$ -	\$ 920,333
Construction in progress	344,210	2,234,678	-	(2,256,488)	322,400
	<u>1,264,543</u>	<u>2,234,678</u>	<u>-</u>	<u>(2,256,488)</u>	<u>1,242,733</u>
Capital assets being depreciated:					
Buildings and improvements	38,629,058	136,195	-	255,444	39,020,697
Infrastructure	38,766,998	-	-	1,118,309	39,885,307
Furniture and equipment	15,453,597	900,103	-	882,735	17,236,435
	<u>92,849,653</u>	<u>1,036,298</u>	<u>-</u>	<u>2,256,488</u>	<u>96,142,439</u>
Less accumulated depreciation:					
Buildings and improvements	(12,184,610)	(1,059,719)	-	-	(13,244,329)
Infrastructure	(28,143,277)	(984,459)	-	-	(29,127,736)
Furniture and equipment	(10,474,486)	(904,592)	-	-	(11,379,078)
	<u>(50,802,373)</u>	<u>(2,948,770)</u>	<u>-</u>	<u>-</u>	<u>(53,751,143)</u>
Total capital assets being depreciated, net	<u>42,047,280</u>	<u>(1,912,472)</u>	<u>-</u>	<u>2,256,488</u>	<u>42,391,296</u>
Governmental activities capital assets, net	<u>\$ 43,311,823</u>	<u>\$ 322,206</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,634,029</u>

Depreciation expense of \$2,948,770 for the year ended March 31, 2020, was charged to the following governmental functions:

General government:	
Judicial	\$ 391,527
Elections	7,908
Other general government activities	209,994
Public safety	305,154
Public works	1,824,888
Health and welfare	24,967
Culture and recreation	<u>184,332</u>
	<u>\$ 2,948,770</u>

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7. PENSION PLANS

Substantially all employees paid by the Beauregard Parish Police Jury are members of the following statewide retirement systems: Parochial Employees Retirement System of Louisiana (PERS) and Registrar of Voters Employees' Retirement System (ROVERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Parochial Employees' Retirement System of Louisiana (PERS)

Plan Description

Parochial Employees' Retirement System of Louisiana is the administrator of a cost-sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system, and which elects to become members of the System. PERS offers two plans (Plan A and Plan B) to employers, however, the Police Jury only participates in Plan A.

All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Benefits Provided

The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty or more years of creditable service.
2. Age 55 with twenty-five years of creditable service.
3. Age 60 with a minimum of ten years of creditable service.
4. Age 65 with a minimum of seven years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with thirty years of service.
2. Age 62 with ten years of service.
3. Age 67 with seven years of service.

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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 member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Deferred Retirement Option Plan (DROP) Benefits

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date. For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Cost-of-Living Increases

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

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2019, the actuarially determined contribution rate was 12.18% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2019, was 11.50% for Plan. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

The Police Jury's contractually required contribution rate for the year ended December 31, 2019, was 11.50% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Police Jury were \$270,851 for the year ended March 31, 2020.

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

At March 31, 2020, the Police Jury reported a liability of \$17,739 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2019, the Police Jury's proportion was 0.376831%, which was an decrease of 0.0249726 percentage points from its proportion measured as of December 31, 2018.

For the year ended March 31, 2020, the Police Jury recognized pension expense of \$331,465.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

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

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (158,804)
Changes of assumptions	247,749	-
Net difference between projected and actual earnings on pension plan investments	-	(664,956)
Change in proportion and differences between employer contributions and proportionate share of contributions	7,497	(44,529)
Employer contributions subsequent to the measurement date	<u>73,390</u>	<u>-</u>
Total	<u>\$ 328,636</u>	<u>\$ (868,289)</u>

Deferred outflows of resources of \$73,390 related to PERS resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	
2020	\$ (139,544)
2021	(176,824)
2022	2,697
2023	<u>(299,372)</u>
	<u>\$ (613,043)</u>

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability of PERS as of December 31, 2019, are as follows:

Valuation date	December 31, 2019
Actuarial cost method	Entry Age Normal
Expected remaining service lives	4 years
Actuarial assumptions:	
Investment rate of return	6.50%, net of investment expense
Inflation rate	2.40%
Projected salary increases	4.75%
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for female 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 female using MP2018 scale for disabled annuitants
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes

The discount rate used to measure the total pension liability was 6.50% for Plan A. 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 benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a triangulation method, which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00%, and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

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, 2019, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real assets	2%	0.11%
Totals	100%	5.18%
Inflation		2.00%
Expected arithmetic nominal return		7.18%

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 then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

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

The following presents the Police Jury's proportionate share of the PERS net pension liability calculated using the discount rate of 6.50%, as well as what the Police Jury's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of December 31, 2019:

	One Percentage Point Decrease 5.50%	Current Discount Rate 6.50%	One Percentage Point Increase 7.50%
Net Pension Liability	\$ 1,917,276	\$ 17,739	\$ (1,574,035)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org or www.la.state.la.us.

Payables to the Pension Plan

There were no amounts payable to PERS at March 31, 2020.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

B. Registrar of Voters' Retirement System of Louisiana (ROVERS)

Plan Description

The Beauregard Parish Police Jury contributes to the Registrar of Voters Employees' Retirement System of Louisiana (ROVERS) which is a cost sharing multiple employer defined benefit pension plan. The System was established on January 1, 1955 by Louisiana Revised statute 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish.

Benefits Provided

The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

Any member hired prior to January 1, 2013, is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013, are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013, is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013, are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013, that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
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Deferred Retirement Option Plan (DROP) Benefits

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System

Disability Benefits

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

Survivor's Benefits

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Cost-of-Living Increases

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.0% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2019, the actual employer contribution rate was 17.0%.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

The Police Jury's contractually required contribution rate for the year ended March 31, 2020, was 17.0% payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Police Jury were \$4,273 for the year ended March 31, 2020.

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

At March 31, 2020, the Police Jury reported a liability of \$33,846 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Police Jury's proportion was 0.180991%, which was an increase of 0.029802 percentage points from its proportion measured as of June 30, 2018.

For the year ended March 31, 2020 the Police Jury recognized pension expense of \$8,251.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

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

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (8,349)
Changes of assumptions	5,010	-
Net difference between projected and actual earnings on pension plan investments	-	(1,932)
Change in proportion and differences between employer contributions and proportionate share of contributions	9,015	(1,894)
Employer contributions subsequent to the measurement date	<u>3,271</u>	<u>-</u>
Total	<u>\$ 17,296</u>	<u>\$ (12,175)</u>

Deferred outflows of resources of \$3,271 related to ROVERS resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ROVERS will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2020	\$ 841
2021	490
2022	577
2023	<u>(58)</u>
	<u>\$ 1,850</u>

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability of ROVERS as of June 30, 2019, are as follows:

Valuation date	June 30, 2019
Actuarial cost method	Entry Age Normal
Expected remaining service lives	5 years
Actuarial assumptions:	
Investment rate of return	6.5%, net of investment expense
Inflation rate	2.40%
Projected salary increases	6.00%
Mortality rates	RP-2000 Combined Healthy Mortality Table for active members, health annuitants and beneficiaries
	RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

During the year ended June 30, 2019, mortality assumptions were set after reviewing an experience study performed on plan data for the period from July 1, 2009, through June 30, 2014. The data was assigned credibility weightings and combined with a standard table to produce current levels of mortality. The mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.

The long-term expected rate of return on the pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.83% for the year ended June 30, 2019.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2020 is as follows:

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Domestic equities	40.0%	7.50%	3.00%
International equities	20.0%	8.50%	1.70%
Domestic fixed income	12.5%	2.50%	0.31%
International fixed income	10.0%	3.50%	0.35%
Alternative investments	10.0%	6.33%	0.63%
Real Estate	7.5%	4.50%	0.34%
Totals	100.0%		6.33%
Inflation			2.50%
Expected arithmetic nominal return			8.83%

The discount rate used to measure 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 rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Police Jury's proportionate share of the net pension liability calculated using the discount rate of 6.50% as well as what the Registrar of Voters' 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:

	One Percentage Point Decrease 5.50%	Current Discount Rate 6.50%	One Percentage Point Increase 7.50%
Net Pension Liability	\$ 57,096	\$ 33,846	\$ 13,890

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Registrar of Voters' Employees' Retirement System of Louisiana at www.larover.com.

Payables to the Pension Plan

There were no amounts payable to ROVERS at March 31, 2020.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

8. INTERFUND ACTIVITIES

The following is a summary of interfund transfers for the year ended March 31, 2020:

<u>Receiving Fund</u>	<u>Paying Fund</u>	
General Fund	Health Unit	\$ 210,000
Non-major capital projects funds	Non-major special revenue funds	1,118,308
Non-major debt service funds	General Fund	122,143
S. Beau. Rec. District No. 2 Special Revenue	Non-major capital projects funds	3,018
Non-major debt service funds	S. Beau. Rec. District No. 2 Special Revenue	199,989
Non-major debt service funds	Non-major special revenue funds	56,036
Non-major special revenue funds	General Fund	118,821
Non-major special revenue funds	Solid Waste Special Revenue Fund	600,000
Non-major special revenue funds	Non-major capital projects funds	<u>31,396</u>
		<u>\$ 2,459,711</u>

Generally, interfund transfers result from the 1) distribution of excess sales taxes from the Sales Tax District No. 1 Fund to the various road district special revenue funds, 2) reimbursement to other funds for expenditures paid on behalf of the General Fund, 3) transfers made to debt service funds for debt service payments, or 4) transfers made from the road districts to the consolidated road capital outlay fund.

9. LONG-TERM LIABILITIES

The following is a summary of the long-term obligation transactions for the year ended March 31, 2020:

	<u>Bonded Debt</u>	<u>Certificates of Indebtedness</u>	<u>Total</u>
Long-term obligations at beginning of year	\$ 9,339,000	\$ 880,000	\$ 10,219,000
Additions	-	-	-
Deductions	<u>(1,106,000)</u>	<u>(205,000)</u>	<u>(1,311,000)</u>
Long-term obligations at end of year	<u>\$ 8,233,000</u>	<u>\$ 675,000</u>	<u>\$ 8,908,000</u>
Due within one year	<u>\$ 1,096,000</u>	<u>\$ 211,000</u>	<u>\$ 1,307,000</u>

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

Long-term debt

All Police Jury debt outstanding at March 31, 2020, are general obligation bonds and certificates of indebtedness with maturities from 2013 to 2022 and interest rates from 1.5% to 5.0%. Principal and interest payable in the next fiscal year are \$1,361,000 and \$250,071 respectively. The individual issues are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Limited tax bonds:					
Series 2012	1,744,000	2.37%	2022	13,865	388,000
Series 2014	2,000,000	2.49%	2027	127,862	1,250,000
Series 2015	9,995,000	2.50%	2028	766,554	6,595,000
	<u>13,739,000</u>			<u>908,281</u>	<u>8,233,000</u>
Certificates of indebtedness:					
Series 2013	960,000	2.45%	2023	17,763	355,000
Series 2016	225,000	2.69%	2021	2,892	105,000
Series 2014	500,000	0.0-2.14%	2020	11,706	215,000
	<u>1,685,000</u>			<u>32,361</u>	<u>675,000</u>
	<u>\$ 15,424,000</u>			<u>\$ 940,642</u>	<u>\$ 8,908,000</u>

At March 31, 2020 the Police Jury has accumulated \$125,969 in the debt service funds for future debt requirements. The bonds and certificates are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2021	\$ 1,307,000	\$ 220,363	\$ 1,527,363
2022	1,360,000	188,060	1,548,060
2023	1,139,000	155,252	1,294,252
2024	1,042,000	127,086	1,169,086
2025	1,015,000	101,293	1,116,293
2026-2028	3,045,000	148,586	3,193,586
Total	<u>\$ 8,908,000</u>	<u>\$ 940,640</u>	<u>\$ 9,848,640</u>

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements

10. FUND BALANCE REPORTING

The Police Jury segregates fund balances into different categories according to the level of constraint placed on how the fund balances can be spent in the future. Following is a description of what is included in these categories:

- *Non-spendable* - Inventory is considered non-spendable as this asset is consumed rather than spent.
- *Restricted* - The fund balances in the special revenue, capital projects, and debt service funds are considered restricted as the sources of funding for these funds place restrictions on how these resources can be spent. Additionally, there is a provision in the ordinance for the Parishwide Road sales tax that requires a certain percentage of the proceeds be spent on equipment purchases. The unspent portion of these funds is considered restricted.
- *Committed* - The remaining balance on construction contracts let prior to yearend are considered committed.
- *Assigned* - The amount that budgeted expenditures exceeds expected revenues in the subsequent year is considered to be assigned at year end.
- *Unassigned* - Includes fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

11. RISK MANAGEMENT

The Police Jury maintains insurance coverage through commercial insurance carriers for property insurance and workers compensation. However, the Police Jury is not covered by insurance against liability claims. State court precedent indicates that political subdivisions cannot be forced to pay liability claims unless funds are appropriated for the explicit purpose of paying the claims. The Police Jury has not appropriated funds for such purpose.

12. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES

The Police Jury is a defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the Police Jury and legal counsel, the outcomes of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and, accordingly, no provision for losses has been recorded.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applied funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; however, the Police Jury expects such amounts, if any, to be immaterial.

Under the Internal Revenue Code, interest earned on debt proceeds in excess of interest expense prior to the disbursement of such proceeds (called "arbitrage") must be rebated to the Internal Revenue Service. Management believes there is no arbitrage rebate liability at year end.

13. COMMITMENTS

There is approximately \$440,000 in remaining commitments under contracts for construction in progress. Management states that outstanding purchase orders at year end that are expected to be honored is insignificant.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Notes to the Financial Statements (concluded)

14. SUBSEQUENT EVENTS

The Police Jury evaluated its March 31, 2020 financial statements for subsequent events through September 30, 2020, the date the financials were available to be issued. The Police Jury is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Exhibit 1

Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 849,107	\$ 970,135	\$ 970,135	\$ -
Other taxes	60,000	52,774	52,774	-
Licenses and permits	252,000	241,829	241,829	-
Interest income	8,400	20,733	20,733	-
Other	22,050	92,332	92,332	-
State sources:				
State revenue sharing	44,000	45,927	45,927	-
Severance taxes	1,805,000	1,735,663	1,735,664	1
Other state funds	9,600	112,272	112,272	-
Total revenues	3,050,157	3,271,665	3,271,666	1
Expenditures:				
General Government:				
Legislative	314,280	331,741	331,741	-
Judicial	189,904	249,580	249,579	1
Elections	89,648	104,191	105,107	(916)
Finance and administrative	482,594	591,482	559,085	32,397
Other general government activities	431,752	157,810	92,781	65,029
Public safety	960,523	900,632	905,462	(4,830)
Health and welfare	100,000	58,343	58,343	-
Culture and recreation	40,674	28,896	29,647	(751)
Other activities	45,460	56,059	59,815	(3,756)
Capital projects	270,000	52,033	52,033	-
Total expenditures	2,924,835	2,530,767	2,443,593	87,174
Excess (deficiency) of revenues over (under) expenditures	125,322	740,898	828,073	87,175
Other financing sources (uses):				
Transfers in/out	(525,201)	(119,375)	(56,243)	63,132
Total other financing sources (uses)	(525,201)	(119,375)	(56,243)	63,132
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(399,879)	621,523	771,830	150,307
Beginning fund balance	1,503,896	1,503,896	1,503,896	-
Ending fund balance	\$ 1,104,017	\$ 2,125,419	\$ 2,275,726	\$ 150,307

See notes to the required supplementary information.

Budgetary (GAAP Basis) Comparison Schedule
Parishwide Road Special Revenue Fund
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Sales and use taxes	\$ 2,044,000	\$ 2,115,576	\$ 1,943,468	\$ (172,108)
Licenses and permits	75,000	70,564	70,564	-
Interest income	5,000	5,861	5,861	-
Other	-	143,590	143,590	-
State sources:				
Parish transportation funds	490,000	512,236	512,236	-
Other state funds	60,000	13,207	18,246	5,039
Total revenues	2,674,000	2,861,034	2,693,965	(167,069)
Expenditures:				
Public works	2,676,973	2,326,128	2,580,433	(254,305)
Total expenditures	2,676,973	2,326,128	2,580,433	(254,305)
Excess (deficiency) of revenues over (under) expenditures	(2,973)	534,906	113,532	(421,374)
Other financing sources (uses):				
Proceeds from sale of assets	-	289	289	-
Total other financing sources (uses)	-	289	289	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,973)	535,195	113,821	(421,374)
Beginning fund balance	579,837	579,837	579,837	-
Ending fund balance	\$ 576,864	\$ 1,115,032	\$ 693,658	\$ (421,374)

See notes to the required supplementary information.

Budgetary (GAAP Basis) Comparison Schedule
Road District No. 6 Special Revenue Fund
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 1,300,000	\$ 1,528,819	\$ 1,528,819	\$ -
Sales and use taxes	109,500	113,334	104,114	(9,220)
Licenses and permits	3,000	16,750	16,750	-
Interest income	2,500	17,903	17,903	-
Other	-	25,635	25,635	-
State sources:				
State revenue sharing	7,500	10,974	10,974	-
Total revenues	<u>1,422,500</u>	<u>1,713,415</u>	<u>1,704,195</u>	<u>(9,220)</u>
Expenditures:				
Public works	829,400	745,039	737,675	7,364
Capital projects	-	7,843	7,843	-
Total expenditures	<u>829,400</u>	<u>752,882</u>	<u>745,518</u>	<u>7,364</u>
Excess (deficiency) of revenues over (under) expenditures	593,100	960,533	958,677	(1,856)
Other financing sources (uses):				
Transfers in/out	<u>(875,000)</u>	<u>(749,554)</u>	<u>(749,554)</u>	<u>-</u>
Total other financing sources (uses)	<u>(875,000)</u>	<u>(749,554)</u>	<u>(749,554)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(281,900)	210,979	209,123	(1,856)
Beginning fund balance	<u>2,006,969</u>	<u>2,006,969</u>	<u>2,006,969</u>	<u>-</u>
Ending fund balance	<u>\$ 1,725,069</u>	<u>\$ 2,217,948</u>	<u>\$ 2,216,092</u>	<u>\$ (1,856)</u>

See notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule
Solid Waste Special Revenue Fund
For the Year Ended March 31, 2020**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Sales and use taxes	\$ 2,500,000	\$ 2,776,383	\$ 2,776,383	\$ -
Fees, charges, and commissions for services	59,500	59,278	59,278	-
Interest income	9,000	34,438	34,438	-
Other	2,000	4,804	4,804	-
Total revenues	<u>2,570,500</u>	<u>2,874,903</u>	<u>2,874,903</u>	<u>-</u>
Expenditures:				
Sanitation	<u>2,000,311</u>	<u>1,937,884</u>	<u>1,937,883</u>	<u>1</u>
Total expenditures	<u>2,000,311</u>	<u>1,937,884</u>	<u>1,937,883</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	570,189	937,019	937,020	1
Other financing sources (uses):				
Transfers in/out	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(29,811)	337,019	337,020	1
Beginning fund balance	<u>3,047,455</u>	<u>3,047,455</u>	<u>3,047,455</u>	<u>-</u>
Ending fund balance	<u>\$ 3,017,644</u>	<u>\$ 3,384,474</u>	<u>\$ 3,384,475</u>	<u>\$ 1</u>

See notes to the required supplementary information.

Budgetary (GAAP Basis) Comparison Schedule
Health Unit Special Revenue Fund
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 635,563	\$ 621,852	\$ 621,852	\$ -
Interest income	8,436	26,299	26,299	-
Other	-	40,190	40,190	-
State sources:				
State revenue sharing	9,000	11,625	11,625	-
Total revenues	<u>652,999</u>	<u>699,966</u>	<u>699,966</u>	-
Expenditures:				
Health and welfare	<u>479,640</u>	<u>449,906</u>	<u>452,172</u>	<u>(2,266)</u>
Total expenditures	<u>479,640</u>	<u>449,906</u>	<u>452,172</u>	<u>(2,266)</u>
Excess (deficiency) of revenues over (under) expenditures	173,359	250,060	247,794	2,266
Other financing sources (uses):				
Transfers in/out	<u>(150,000)</u>	<u>(210,000)</u>	<u>(210,000)</u>	-
Total other financing sources (uses)	<u>(150,000)</u>	<u>(210,000)</u>	<u>(210,000)</u>	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	23,359	40,060	37,794	2,266
Beginning fund balance	<u>2,304,747</u>	<u>2,304,747</u>	<u>2,304,747</u>	-
Ending fund balance	<u>\$ 2,328,106</u>	<u>\$ 2,344,807</u>	<u>\$ 2,342,541</u>	<u>\$ 2,266</u>

See notes to the required supplementary information.

Budgetary (GAAP Basis) Comparison Schedule
South Beauregard Recreation District No. 2
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 827,603	\$ 852,250	\$ 852,250	\$ -
Interest income	3,060	11,860	11,860	-
Other	57,000	72,707	72,707	-
Total revenues	<u>887,663</u>	<u>936,817</u>	<u>936,817</u>	<u>-</u>
Expenditures:				
Culture and recreation	152,600	153,719	153,143	576
Capital projects	475,000	285,057	219,118	65,939
Debt service	49,435	48,830	48,830	-
Total expenditures	<u>677,035</u>	<u>487,606</u>	<u>421,091</u>	<u>66,515</u>
Excess (deficiency) of revenues over (under) expenditures	210,628	449,211	515,726	66,515
Other financing sources (uses):				
Transfers in/out	(196,749)	(196,970)	(196,970)	-
Total other financing sources (uses)	<u>(196,749)</u>	<u>(196,970)</u>	<u>(196,970)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	13,879	252,241	318,756	66,515
Beginning fund balance	<u>1,061,442</u>	<u>1,061,442</u>	<u>1,061,442</u>	<u>-</u>
Ending fund balance	<u>\$ 1,075,321</u>	<u>\$ 1,313,683</u>	<u>\$ 1,380,198</u>	<u>\$ 66,515</u>

See notes to the required supplementary information.

**Schedule of Employer's Proportionate Share
of Net Pension Liability**

<u>Measurement Date</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Proportionate Share of NPL as a % of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a % of Total Pension Liability</u>
PERS:					
12/31/14	0.40953%	\$ 111,970	\$ 2,389,325	4.69%	99.15%
12/31/15	0.41802%	\$ 1,100,338	\$ 2,372,838	46.37%	92.23%
12/31/16	0.39889%	\$ 821,521	\$ 2,236,352	36.73%	94.15%
12/31/18	0.42656%	\$ 1,893,213	\$ 2,559,922	73.96%	88.86%
12/31/19	0.37683%	\$ 17,739	\$ 2,391,557	0.74%	99.88%
ROVERS:					
06/30/15	0.14795%	\$ 36,234	\$ 23,175	156.35%	76.86%
06/30/16	0.11331%	\$ 32,152	\$ 19,800	162.38%	73.98%
06/30/17	0.15264%	\$ 33,506	\$ 23,041	145.42%	80.51%
06/30/18	0.15119%	\$ 35,687	\$ 21,029	169.70%	80.57%
06/30/19	0.18099%	\$ 33,846	\$ 25,018	135.29%	80.57%

See accompanying notes to the required supplementary information.

Schedule of Employer Pension Contributions

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
PERS:					
2015	\$ 346,453	\$ 346,453	\$ -	\$ 2,389,325	14.5%
2016	\$ 308,469	\$ 308,469	\$ -	\$ 2,372,838	13.0%
2017	\$ 279,544	\$ 279,544	\$ -	\$ 2,236,352	12.5%
2018	\$ 294,391	\$ 294,391	\$ -	\$ 2,559,922	11.5%
2019	\$ 275,029	\$ 275,029	\$ -	\$ 2,391,557	11.5%
ROVERS:					
2015	\$ 3,990	\$ 3,990	\$ -	\$ 23,175	17.2%
2016	\$ 3,308	\$ 3,308	\$ -	\$ 19,800	16.7%
2017	\$ 3,796	\$ 3,796	\$ -	\$ 23,041	16.5%
2018	\$ 3,575	\$ 3,575	\$ -	\$ 21,029	17.0%
2019	\$ 4,253	\$ 4,253	\$ -	\$ 25,018	17.0%

See accompanying notes to the required supplementary information.

**BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana**

**Notes to the Required Supplementary Information
As of and for the Year Ended March 31, 2020**

1. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the Police Jury in an open meeting.

Budgets are prepared for all governmental funds of the Police Jury. The budgets are prepared on the modified accrual basis of accounting (GAAP). 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 revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The Police Jury approves budgets at the function level and management can transfer amounts between line items within a function.

Expenditures in the following funds exceeded budgetary authority:

<u>Fund</u>	<u>Variance</u>
Parishwide Road Special Revenue Fund	(\$254,305)
Health Unit Special Revenue Fund	(\$2,266)

2. PENSIONS

For PERS, no changes in benefit terms or benefit assumptions were noted.

For ROVERS, no changes in benefit terms or benefit assumptions were noted.

SUPPLEMENTAL INFORMATION SCHEDULES

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Nonmajor Funds

Special revenue funds:

Special Federal Fund. Accounts for activities of certain federal programs. These activities are funded primarily through federal grants.

Road Districts Nos. 1-5 and 7-8. Accounts for road maintenance activities in each of the eight wards of the parish. These activities are funded primarily through ad valorem taxes on property within the respective districts.

Tourist Commission. Accounts for tourism promotion activities that are funded via a hotel occupancy tax.

Fire Protection Districts Nos. 2 and 4. Accounts for fire protection activities in the two respective districts. These activities are funded primarily through ad valorem taxes assessed on property within the respective districts.

Beauregard Covered Arena. Accounts for the expenditure of a state grant and other funds dedicated to the Beauregard Covered Arena.

War Memorial Civic Center. Accounts for the activities of the War Memorial Civic Center that are primarily funded through ad valorem taxes.

Louisiana Emergency Shelter Grant. Accounts for a grant for the June Jenkins women's shelter.

Criminal Court Fund. Accounts for fines, forfeitures and fees generated from judicial proceedings.

Courthouse Sales Tax Fund. Accounts for the ¼ percent sales tax collected for renovations, maintenance, and related debt service for the parish courthouse.

Capital projects funds:

Consolidated Road Districts. Accounts for funds dedicated to the construction projects within Road District 4 and 6.

South Beauregard Recreation District. Accounts for funds dedicated to construction projects in South Beauregard Recreation District No. 2.

Debt service funds:

Temporary Courthouse. Accounts for funds dedicated funding the debt service on the long-term debt related to the renovation of the temporary courthouse.

South Beauregard Recreation District. Accounts for funds dedicated funding the debt service on long-term debt related to construction projects within the recreation district.

Fire Protection Districts No. 2 and 4. Accounts for funds dedicated to funding debt service on long-term debt related to construction projects in respective districts.

Combining Balance Sheet - Nonmajor Governmental Funds by Type
March 31, 2020

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 7,137,076	\$ -	\$ 103,888	\$ 7,240,964
Investments	101,601	-	-	101,601
Receivables	529,258	-	1,047	530,305
Prepaid expenses	46,848	-	-	46,848
Inventory	338,065	-	-	338,065
Total assets	\$ 8,152,848	\$ -	\$ 104,935	\$ 8,257,783
Liabilities				
Accounts payable	\$ 206,293	\$ -	\$ -	\$ 206,293
Payroll liabilities	9,641	-	-	9,641
Due to other funds	74,145	-	-	74,145
Total liabilities	290,079	-	-	290,079
Deferred Inflows of Resources				
Unavailable revenue	81,986	-	649	82,635
Total deferred inflows of resources	81,986	-	649	82,635
Fund balances				
Non-spendable	384,913	-	-	384,913
Restricted:				
Public works	4,583,707	-	-	4,583,707
Public safety	1,468,098	-	-	1,468,098
Culture and recreation	589,758	-	-	589,758
Other general government	754,307	-	-	754,307
Capital projects	-	-	-	-
Debt service	-	-	104,286	104,286
Total fund balances	7,780,783	-	104,286	7,885,069
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,152,848	\$ -	\$ 104,935	\$ 8,257,783

**Combining Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds by Type
For the Year Ended March 31, 2020**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Local sources:				
Taxes:				
Ad valorem	\$ 3,053,085	\$ -	\$ 66,778	\$ 3,119,863
Sales	2,388,896	-	-	2,388,896
Other	104,365	-	-	104,365
Fines and forfeitures	730,425	-	-	730,425
Licenses and permits	21,500	-	-	21,500
Interest income	83,397	1	1,009	84,407
Other	424,854	-	-	424,854
State sources:				
State revenue sharing	55,149	-	-	55,149
Other state funds	322,807	-	-	322,807
Total revenues	<u>7,184,478</u>	<u>1</u>	<u>67,787</u>	<u>7,252,266</u>
Expenditures:				
General government:				
Judicial	780,871	-	-	780,871
Other general government	7,520	-	-	7,520
Public safety	1,357,047	-	350	1,357,397
Public works	3,323,673	-	-	3,323,673
Culture and recreation	674,144	-	-	674,144
Other activities	-	-	-	-
Capital projects	435,044	1,118,308	-	1,553,352
Debt Service	1,099,019	-	419,468	1,518,487
Total expenditures	<u>7,677,318</u>	<u>1,118,308</u>	<u>419,818</u>	<u>9,215,444</u>
Excess (deficiency) of revenues over (under) expenditures	(492,840)	(1,118,307)	(352,031)	(1,963,178)
Other financing sources (uses):				
Transfers in/(out)	319,311	1,115,289	378,168	1,812,768
Proceeds from issuance of debt	-	-	-	-
Proceeds from sale of assets	1,782	-	-	1,782
Total other financing sources (uses)	<u>321,093</u>	<u>1,115,289</u>	<u>378,168</u>	<u>1,814,550</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(171,747)	(3,018)	26,137	(148,628)
Beginning fund balances	<u>7,952,530</u>	<u>3,018</u>	<u>78,149</u>	<u>8,033,697</u>
Ending fund balances	<u>\$ 7,780,783</u>	<u>\$ -</u>	<u>\$ 104,286</u>	<u>\$ 7,885,069</u>

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Combining Balance Sheet - Nonmajor Special Revenue Funds
March 31, 2020

	Courthouse Sales Tax	Road District No. 1	Road District No. 2	Road District No. 3	Road District No. 4	Road District No. 5	Road District No. 7	Road District No. 8
Assets								
Equity in pooled cash	\$ 588,398	\$ 213,983	\$ 1,052,066	\$ 434,085	\$ 1,157,508	\$ 510,580	\$ 677,247	\$ 451,310
Investments	-	-	-	-	-	-	-	-
Receivables	175,088	11,144	17,814	52,943	33,024	18,559	30,203	22,878
Prepaid expenses	27,420	728	1,006	1,447	1,868	728	730	730
Inventory	-	47,533	44,005	57,535	42,462	66,136	54,864	25,530
Total assets	\$ 790,906	\$ 273,388	\$ 1,114,891	\$ 546,010	\$ 1,234,862	\$ 596,003	\$ 763,044	\$ 500,448
Liabilities								
Accounts payable	\$ 9,044	\$ 4,069	\$ 10,329	\$ 7,051	\$ 6,992	\$ 7,649	\$ 552	\$ 529
Retainage payable	-	-	-	-	-	-	-	-
Payroll liabilities	199	328	721	868	492	328	328	328
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	9,243	4,397	11,050	7,919	7,484	7,977	880	857
Deferred Inflows of Resources								
Unavailable revenue	-	-	1,994	24,418	14,700	1,959	7,780	8,222
Total deferred inflows of resources	-	-	1,994	24,418	14,700	1,959	7,780	8,222
Fund balances								
Non-spendable	27,420	48,261	45,011	58,982	44,330	66,864	55,594	26,260
Restricted:								
Public works	-	220,730	1,056,836	454,691	1,168,348	519,203	698,790	465,109
Public safety	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Other general government	754,243	-	-	-	-	-	-	-
Total fund balances	781,663	268,991	1,101,847	513,673	1,212,678	586,067	754,384	491,369
Total liabilities, deferred inflows of resources and fund balances	\$ 790,906	\$ 273,388	\$ 1,114,891	\$ 546,010	\$ 1,234,862	\$ 596,003	\$ 763,044	\$ 500,448

Combining Balance Sheet - Nonmajor Special Revenue Funds (Concluded)
March 31, 2020

	Tourist Commission	Fire Protection District No. 2	Beauregard Covered Arena	War Memorial Civic Center	Fire Protection District No. 4	Criminal Court	Louisiana Emergency Shelter Grant	Special Federal Fund	Total
Assets									
Equity in pooled cash	\$ 145,217	\$ 951,980	\$ -	\$ 499,852	\$ 454,847	\$ -	\$ -	\$ 3	\$ 7,137,076
Investments	-	-	-	-	101,601	-	-	-	101,601
Receivables	15,673	10,263	3,669	23,223	14,501	100,276	-	-	529,258
Prepaid expenses	1,135	-	8,252	2,077	-	727	-	-	46,848
Inventory	-	-	-	-	-	-	-	-	338,065
Total assets	\$ 162,025	\$ 962,243	\$ 11,921	\$ 525,152	\$ 570,949	\$ 101,003	\$ -	\$ 3	\$ 8,152,848
Liabilities									
Accounts payable	\$ 1,885	\$ 7,727	\$ 2,854	\$ 77,839	\$ 47,304	\$ 22,469	\$ -	\$ -	\$ 206,293
Retainage payable	-	-	-	-	-	-	-	-	-
Payroll liabilities	523	-	158	1,110	-	4,258	-	-	9,641
Due to other funds	-	-	-	-	-	74,145	-	-	74,145
Total liabilities	2,408	7,727	3,012	78,949	47,304	100,872	-	-	290,079
Deferred Inflows of Resources									
Unavailable revenue	-	5,545	-	12,850	4,518	-	-	-	81,986
Total deferred inflows of resources	-	5,545	-	12,850	4,518	-	-	-	81,986
Fund balances									
Nonexpendable	1,135	-	8,252	2,077	-	727	-	-	384,913
Restricted:									
Public works	-	-	-	-	-	-	-	-	4,583,707
Public safety	-	948,971	-	-	519,127	-	-	-	1,468,098
Culture and recreation	158,482	-	-	431,276	-	-	-	-	589,758
Other general government	-	-	657	-	-	(596)	-	3	754,307
Total fund balances	159,617	948,971	8,909	433,353	519,127	131	-	3	7,780,783
Total liabilities, deferred inflows of resources and fund balances	\$ 162,025	\$ 962,243	\$ 11,921	\$ 525,152	\$ 570,949	\$ 101,003	\$ -	\$ 3	\$ 8,152,848

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Schedule 4

**Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended March 31, 2020**

	Courthouse Sales Tax	Road District No. 1	Road District No. 2	Road District No. 3	Road District No. 4	Road District No. 5	Road District No. 7	Road District No. 8
Revenues:								
Local sources:								
Taxes:								
Ad valorem	\$ -	\$ -	\$ 303,725	\$ 384,117	\$ 561,781	\$ 200,997	\$ 202,085	\$ 103,034
Sales	1,660,098	104,114	104,114	104,114	104,114	104,114	104,114	104,114
Other taxes	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Licenses and permits	-	2,000	8,500	2,500	8,000	-	-	500
Interest income	7,135	3,806	10,277	4,409	10,509	5,541	7,192	5,300
Other	899	4,184	10,988	19,926	8,314	4,184	9,838	13,586
State sources:								
State revenue sharing	-	-	4,747	21,200	3,992	2,465	22,745	-
Other state funds	-	1,284	7,539	505	843	234	1,157	103
Total revenues	1,668,132	115,388	449,890	536,771	697,553	317,535	347,131	226,637
Expenditures:								
General government:								
Judicial	-	-	-	-	-	-	-	-
Other general government	7,520	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	227,141	256,124	344,812	605,644	671,998	371,888	493,886	349,230
Culture and recreation	-	-	-	-	-	-	-	-
Capital projects	22,875	-	-	-	-	-	-	-
Debt Service	1,099,019	-	-	-	-	-	-	-
Total expenditures	1,356,555	256,124	344,812	605,644	671,998	371,888	493,886	349,230
Excess (deficiency) of revenues over (under) expenditures	311,577	(140,736)	105,078	(68,873)	25,555	(54,353)	(146,755)	(122,593)
Other financing sources (uses):								
Transfers in/(out)	-	(72,792)	100,000	(21,446)	75,484	50,000	50,000	50,000
Proceeds from sale of assets	-	-	8	-	-	-	-	-
Total other financing sources (uses)	-	(72,792)	100,008	(21,446)	75,484	50,000	50,000	50,000
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	311,577	(213,528)	205,086	(90,319)	101,039	(4,353)	(96,755)	(72,593)
Beginning fund balances	470,086	482,519	896,761	603,992	1,111,639	590,420	851,139	563,962
Ending fund balances	\$ 781,663	\$ 268,991	\$ 1,101,847	\$ 513,673	\$ 1,212,678	\$ 586,067	\$ 754,384	\$ 491,369

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Schedule 4

**Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Special Revenue Funds (concluded)
For the Year Ended March 31, 2020**

	Tourist Commission	Fire Protection District No. 2	Beauregard Covered Arena	War Memorial Civic Center	Fire Protection District No. 4	Criminal Court	Louisiana Emergency Shelter Grant	Special Federal Fund	Total
Revenues:									
Local sources:									
Taxes:									
Ad valorem	\$ -	\$ 570,116	\$ -	\$ 321,205	\$ 406,025	\$ -	\$ -	\$ -	\$ 3,053,085
Sales	-	-	-	-	-	-	-	-	2,388,896
Other taxes	104,365	-	-	-	-	-	-	-	104,365
Fines and forfeitures	-	-	-	-	-	730,425	-	-	730,425
Licenses and permits	-	-	-	-	-	-	-	-	21,500
Interest income	1,564	12,849	-	5,099	8,028	1,688	-	-	83,397
Other	87,127	20,685	126,574	43,496	12,405	62,348	300	-	424,854
State sources:									
State revenue sharing	-	-	-	-	-	-	-	-	55,149
Other state funds	123,324	22,852	131,389	-	33,577	-	-	-	322,807
Total revenues	316,380	626,502	257,963	369,800	460,035	794,461	300	-	7,184,478
Expenditures:									
General government:									
Judicial	-	-	-	-	-	780,871	-	-	780,871
Other general government	-	-	-	-	-	-	-	-	7,520
Public safety	-	783,336	-	-	362,676	211,035	-	-	1,357,047
Public works	-	-	-	-	-	-	-	2,950	3,323,673
Culture and recreation	182,456	-	236,886	254,802	-	-	-	-	674,144
Capital outlay	-	-	40,031	124,537	247,601	-	-	-	435,044
Debt Service	-	-	-	-	-	-	-	-	1,099,019
Total expenditures	182,456	783,336	276,917	379,339	610,277	991,906	-	2,950	7,677,318
Excess (deficiency) of revenues over (under) expenditures	133,924	(156,834)	(18,954)	(9,539)	(150,242)	(197,445)	300	(2,950)	(492,840)
Other financing sources (uses):									
Transfers in/(out)	-	-	8,815	500	(56,036)	131,836	-	2,950	319,311
Proceeds from sale of assets	-	1,774	-	-	-	-	-	-	1,782
Total other financing sources (uses)	-	1,774	8,815	500	(56,036)	131,836	-	2,950	321,093
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	133,924	(155,060)	(10,139)	(9,039)	(206,278)	(65,609)	300	-	(171,747)
Beginning fund balances	25,693	1,104,031	19,048	442,392	725,405	65,740	(300)	3	7,952,530
Ending fund balances	\$ 159,617	\$ 948,971	\$ 8,909	\$ 433,353	\$ 519,127	\$ 131	\$ -	\$ 3	\$ 7,780,783

Combining Balance Sheet - Nonmajor Capital Projects Funds
March 31, 2020

	Consolidated Road Districts	South Beauregard Recreation District	Total
Assets			
Total assets	\$ -	\$ -	\$ -
Liabilities and fund equity			
Total liabilities	\$ -	\$ -	\$ -
Total fund equity	-	-	-
Total liabilities and fund equity	\$ -	\$ -	\$ -

**Combining Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Nonmajor Capital Projects Funds
 For the Year Ended March 31, 2020**

	Consolidated Road Districts	South Beauregard Recreation District	Total
Revenues:			
Local sources:			
Interest income	\$ -	\$ 1	\$ 1
Total revenues	-	1	1
Expenditures:			
General government:			
Capital projects	1,118,308	-	1,118,308
Total expenditures	1,118,308	-	1,118,308
Excess (deficiency) of revenues over (under) expenditures	(1,118,308)	1	(1,118,307)
Other financing sources (uses):			
Transfers in/(out)	1,118,308	(3,019)	1,115,289
Total other financing sources (uses)	1,118,308	(3,019)	1,115,289
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	(3,018)	(3,018)
Beginning fund balances	-	3,018	3,018
Ending fund balances	\$ -	\$ -	\$ -

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

Schedule 7

Combining Balance Sheet - Nonmajor Debt Service Funds
March 31, 2020

	South Beauregard Recreation District	Fire Protection District No. 4	Fire Protection District No. 2	Temporary Courthouse	Total
Assets					
Equity in pooled cash	\$ -	\$ -	\$ 103,888	\$ -	\$ 103,888
Receivables	-	-	1,047	-	1,047
Total assets	\$ -	\$ -	\$ 104,935	\$ -	\$ 104,935
Liabilities, Deferred Inflows of Resources, and Fund Equity					
Liabilities:					
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources:					
Unavailable revenue	-	-	649	-	649
Total deferred inflows of resources	-	-	649	-	649
Fund equity:					
Fund balances:					
Restricted - debt service	-	-	104,286	-	104,286
Total fund equity	-	-	104,286	-	104,286
Total liabilities and fund equity	\$ -	\$ -	\$ 104,935	\$ -	\$ 104,935

Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Debt Service Funds
For the Year Ended March 31, 2020

	South Beauregard Recreation District	Fire Protection District No. 4	Fire Protection District No. 2	Temporary Courthouse	Total
Revenues:					
Local sources:					
Taxes:					
Ad valorem	\$ -	\$ -	\$ 66,778	\$ -	\$ 66,778
Interest income	-	-	1,009	-	1,009
Total revenues	<u>-</u>	<u>-</u>	<u>67,787</u>	<u>-</u>	<u>67,787</u>
Expenditures:					
Public safety	-	-	350	-	350
Debt Service	<u>199,989</u>	<u>56,036</u>	<u>41,300</u>	<u>122,143</u>	<u>419,468</u>
Total expenditures	<u>199,989</u>	<u>56,036</u>	<u>41,650</u>	<u>122,143</u>	<u>419,818</u>
Excess (deficiency) of revenues over (under) expenditures	(199,989)	(56,036)	26,137	(122,143)	(352,031)
Other financing sources (uses):					
Transfers in/(out)	<u>199,989</u>	<u>56,036</u>	<u>-</u>	<u>122,143</u>	<u>378,168</u>
Total other financing sources (uses)	<u>199,989</u>	<u>56,036</u>	<u>-</u>	<u>122,143</u>	<u>378,168</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	26,137	-	26,137
Beginning fund balances	<u>-</u>	<u>-</u>	<u>78,149</u>	<u>-</u>	<u>78,149</u>
Ending fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,286</u>	<u>\$ -</u>	<u>\$ 104,286</u>

**BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana**

Schedule 9

**Schedule of Compensation Paid to Jury Members
For the Year Ended March 31, 2020**

<u>MEMBERS</u>	<u>DISTRICT</u>	<u>AMOUNT</u>
Gerald M. "Mike" McLeod	1	\$ 14,400
Wayne Reeves	1 (new)	4,800
N. R. "Rusty" Williamson	2	14,400
Jeffrey Meadows	2 (new)	4,800
Carlos R. Archield	3-A	14,400
Shanel Handy	3-A (new)	4,800
S. E. "Teddy" Welch	3-B	14,400
Eddie Ware	3-B (new)	4,800
Elvin "Doc" Holliday	3-C	14,400
Chuck Montgomery	3-C (new)	4,800
Michael E. Harper	3-D	19,200
Jerry L. Shirley	3-E	19,200
John A. Stebins	4-A	19,200
Ronnie L. Jackson	4-B	19,200
Ronald P. Libick	5	14,400
Kelly Bailey	5 (new)	4,800
		<u>\$ 192,000</u>

Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer

For the Year Ended March 31, 2020

Agency Head Name: JAMES BRYAN MCREYNOLDS

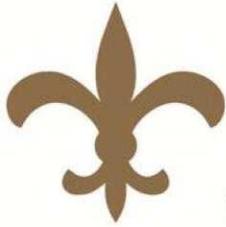
Purpose	Amount
Salary	\$88,811.20
Benefits-insurance	9,335.37
Benefits-retirement	10,389.80
Benefits-	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	370.00
Reimbursements	0.00
Travel	30.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses	0.00
Special meals	0.00

REPORTS AND ADDITIONAL INFORMATION REQUIRED BY
GOVERNMENT AUDITING STANDARDS

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana

March 31, 2020

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J. Aaron Cooper, CPA, LLC

P.O. Box 918 • 106 West Nezpique Street • Jennings, Louisiana 70546

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants.

Recipient of Advanced Single Audit Certificate

**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***

Beauregard Parish Police Jury
DeRidder, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beauregard Parish Police Jury as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements and have issued my report thereon dated September 30, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Police Jury's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal controls over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Police Jury's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters identified in the accompanying schedule of findings and questioned costs as Item 2020-1(C) that is required to be reported under *Government Auditing Standards*.

Police Jury's Response to Findings

The Police Jury's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit the Police Jury's response and, accordingly, I express no opinion on it.

Purpose of this Report

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

This report is intended solely for the information and use of the Beauregard Parish Police Jury, the Police Jury's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC".

Jennings, Louisiana
September 30, 2020

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2020

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
Parishwide Road Special Revenue Fund	Unmodified
Road District No. 6 Special Revenue Fund	Unmodified
Solid Waste Special Revenue Fund	Unmodified
Health Unit Fund Special Revenue Fund	Unmodified
S. Beau. Recreation District No. 2 Special Revenue Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Programs – N/A

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Current Year Findings with Corrective Action Plan
For the Year Ended March 31, 2020

Internal Control - Financial Statements:

No findings

Compliance - Financial Statements:

Finding 2020-1(C) – Noncompliance with budget law

Finding. The budget-to-actual variance for revenues and expenditures in the Parishwide Road Fund exceeded 5%.

Criteria. State law requires budgets be amended when the budget-to-actual variance exceeds 5%.

Effect. The Police Jury was not in compliance with state budget law.

Cause. Tax receipts per the accounting system used to amend the budget were overstated due to the prior year tax receivable not yet being reversed. Additionally, the budget for salaries appears to have been understated by \$300,000 due to a clerical error.

Recommendation. The Police Jury should ensure that all adjusting entries have been made prior to the budget estimation process. Additionally, the amended budget should be reviewed for accuracy.

Management Response. Management concurs with the auditor's finding and will implement his recommendations.

BEAUREGARD PARISH POLICE JURY
DeRidder, Louisiana
Schedule of Prior Year Findings
For the Year Ended March 31, 2020

Internal Control - Financial Statements:

Finding 2019-1(IC) – Fixed Asset Inventory System

Finding. The fixed asset inventory system did not reconcile to beginning audit amounts.

Criteria. The inventory of fixed assets should be reconciled to the other accounting records.

Effect. The finding could result in a misstatement in the financial statements.

Cause. It appears that reports generated from the Abila fixed asset reporting system were not accurate in the prior year.

Recommendation. Management should thoroughly review the detail of assets in the inventory to determine that they are accurate. Going forward, additions to the inventory should be reconciled to the general ledger.

Corrective Action Taken. Management has created a new database for its fixed asset inventory system. Management transferred the data from the Abila system to the new database. Management has thoroughly reviewed the detail of asset items in the inventory and has determined that they are accurate.

Compliance - Financial Statements:

Finding 2019-1(C) – Bid Law and Open Meetings Law

Finding. Fire District No. 4 purchased equipment totaling \$20,565 without obtaining quotes in violation of state bid law. Additionally, the approval of the purchase by the fire district board was performed via straw poll over the telephone in violation of state open meetings law.

Criteria. Purchases valued between \$10,000 and \$30,000 require at least three telephone quotes per state bid law. Official actions of any government board are required to take place at a properly advertised public meeting with a quorum of board members present per state open meetings law.

Effect. The foregoing are violations of state law.

Cause. It is unclear whether the violations were intentional or due to a lack of training.

Recommendation. Management should instruct its component units on the requirements of state laws that affect them, including bid law and open meetings law.

Corrective Action Taken. Personnel changes have been made as a result of the discovery of these issues by the Police Jury. Additionally, the Police Jury has conducted training on state law since year end.