

Jefferson Davis Parish
Mosquito Abatement District No. 1
(A Component Unit of the Jefferson Davis Parish Police Jury)
Jennings, Louisiana

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

Year Ended December 31, 2020

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

December 31, 2020

Table of Contents

	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report		1-3
Basic Financial Statements:		
Government-Wide Financial Statements (GWFS):		
Statement of Net Position	A	5
Statement of Activities	B	6
Fund Financial Statements (FFS):		
Balance Sheet – Governmental Fund	C	8
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	D	9
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	E	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	F	11
Notes to Basic Financial Statements		13-29
Required Supplementary Information:		
General Fund:		
Budgetary Comparison Schedule	Schedule 1	31
Schedule of Employer's Share of Net Pension Liability	Schedule 2	32
Schedule of Employer Contributions	Schedule 3	33
Notes to Required Supplementary Information		34
Other Supplemental Schedules:		
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	Schedule 4	36
Other Reports:		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		38-39
Schedule of Findings and Questioned Costs and Management's Corrective Action Plan		40
Summary Schedule of Prior Year Findings		41



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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

Board of Commissioners
Jefferson Davis Parish Mosquito
Abatement District No. 1
Jennings, Louisiana

Report on the Financial Statement

I have audited the accompanying financial statements of the governmental activities and the major fund of the Jefferson Davis Parish Mosquito Abatement District No. 1 (the District), component unit of the Jefferson Davis Parish Policy Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that 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 opinion.

Opinions

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activity and the major fund of the Jefferson Davis Parish Mosquito Abatement District No. 1 as of December 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 the budgetary comparison information and employer's share of net pension liability and employer contributions on pages 31 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 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 the 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. My 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 District's basic financial statements. The schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Jefferson Davis Parish Mosquito Abatement District No. 1
Page 3

The schedule of compensation, benefits, and other payments to the agency head or chief executive officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation, benefits, and other payments to agency head or chief executive officer are fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of compensation, benefits, an other payments to the agency head or chief executive officer has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated June 30, 2021, on my consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Jennings, Louisiana
June 30, 2021

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

STATEMENT A

JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana

Statement of Net Position
December 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 638,209
Investments	2,357,339
Accounts receivable	87
Accrued interest receivable	5,729
Property taxes receivable, net	1,839,986
Prepaid items	4,908
Capital assets, net of depreciation	<u>1,666,256</u>
 TOTAL ASSETS	 <u>6,512,514</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Pension-related deferrals	<u>80,403</u>
 LIABILITIES	
Accounts payable	448
Payroll liabilities	16,721
Accrued compensated absences	5,767
Net pension liability	<u>2,539</u>
 TOTAL LIABILITIES	 <u>25,475</u>
 DEFERRED INFLOWS OF RESOURCES	
Pension-related deferrals	<u>120,966</u>
 NET POSITION	
Net investment in capital assets	1,666,256
Unrestricted net position	<u>4,780,220</u>
 TOTAL NET POSITION	 <u>\$ 6,446,476</u>

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

JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana

Statement of Activities
For the Year Ended December 31, 2020

	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for Services</u>	<u>Net (Expense) Revenue and Change in Net Position</u> <u>Governmental Activities</u>
Governmental Activities			
Mosquito abatement	\$ 1,606,757	\$ -	\$ (1,606,757)
Total governmental activities	<u>\$ 1,606,757</u>	<u>\$ -</u>	<u>\$ (1,606,757)</u>
General Revenues:			
Property taxes			1,923,479
Investment earnings			67,801
Special Items:			
Gain (loss) on sale of capital assets			<u>(4,578)</u>
Total general revenues and special items			<u>1,986,702</u>
Change in net position			379,945
Net position - beginning			<u>6,066,531</u>
Net position - ending			<u>\$ 6,446,476</u>

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

FUND FINANCIAL STATEMENTS (FFS)

STATEMENT C

JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana

Balance Sheet - Governmental Fund
December 31, 2020

	General Fund
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 638,209
Investments	2,357,339
Accounts receivable	87
Accrued interest receivable	5,729
Property taxes receivable, net	<u>1,839,986</u>
 TOTAL ASSETS	 <u>\$ 4,841,350</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 448
Payroll liabilities	<u>16,721</u>
Total liabilities	<u>17,169</u>
 Deferred inflows of resources:	
Unavailable revenue - ad valorem taxes	<u>79,310</u>
 Fund balance:	
Unassigned	<u>4,744,871</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	 <u>\$ 4,841,350</u>

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

STATEMENT D

**JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana**

**Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2020**

Total fund balance for governmental fund (Statement C)	\$ 4,744,871
Amounts reported for governmental activities in the Statement of Net Position are different because:	
<p style="margin-left: 40px;">Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>	
Capital assets	2,917,959
Less: accumulated depreciation	(1,251,703)
<p style="margin-left: 40px;">Other assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds.</p>	
Prepaid items	4,908
<p style="margin-left: 40px;">Certain property tax collections are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds.</p>	
	79,310
<p style="margin-left: 40px;">Long-term liabilities of governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>	
Compensated absences payable	(5,767)
<p style="margin-left: 40px;">In accordance with Governmental Accounting Standards Board Statement No. 68, the net pension liability related to pension plans, deferred outflows of resources, and deferred inflows of resources are not recorded in governmental funds.</p>	
Net pension liability	(2,539)
Deferred outflows of resources	80,403
Deferred inflows of resources	(120,966)
	(120,966)
Total net position of governmental activities (Statement A)	\$ 6,446,476

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

STATEMENT E

JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1

Jennings, Louisiana

Statement of Revenue, Expenditures, and Changes in Fund Balance -
 Governmental Fund
 For the Year Ended December 31, 2020

	General Fund
REVENUES	
Property taxes	\$ 1,944,305
Investment earnings	67,801
Total revenues	<u>2,012,106</u>
EXPENDITURES	
General office and administrative	352,683
Surveillance	250,258
Control and equipment maintenance	869,875
Total expenditures	<u>1,472,816</u>
Excess (deficiency) of revenues over (under) expenditures	<u>539,290</u>
OTHER FINANCING SOURCES (USES)	
Sale of capital assets	<u>18,346</u>
Net change in fund balance	557,636
Fund Balance - beginning	<u>4,187,235</u>
Fund Balance - ending	<u>\$ 4,744,871</u>

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

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JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2020**

Net change in fund balance, total governmental funds (Statement E)	\$	557,636
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</p>		
Capital outlays	\$	16,550
Depreciation expense for the year ended December 31, 2020		<u>(151,692)</u> (135,142)
The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, and donations is to increase (decrease) net assets.		(22,924)
Some of the District's ad valorem taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources at the fund level		(20,826)
<p>In accordance with Government Accounting Standards Board Statement No. 68, the net pension liability related pension is not required to be recorded in the governmental fund financial statements. Adjustments to pension expense related to changes in deferred outflows of resources and deferred inflows of resources are reflected in the Statement of Activities:</p>		
Contributions after measurement date		44,404
Net change in pension expense		(42,281)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences payable		(913)
Change in prepaid insurance		<u>(9)</u>
Change in net position of government activities (Statement B)	\$	<u>379,945</u>

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

Notes to Financial Statements

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

1. Organization and Significant Accounting Policies

The Jefferson Davis Parish Mosquito Abatement District No. 1 (the District) was created by the Jefferson Davis Parish Police Jury under the authority provided by the provisions of Part 1, Chapter 7, of the Louisiana Revised Statutes of 1950, as amended and other constitutional and statutory authority supplemental thereto. Jefferson Davis Parish Mosquito Abatement District No. 1 was created for the purpose of providing abatement, control, eradication, and study of mosquitoes, and other arthropods of public health importance and all activities incidental thereto. Operations of the District are administered through the district director and include the use of chemical pesticides, the application of which is accomplished through the use of aircraft and other motorized vehicles in populated areas. The District operates within Jefferson Davis Parish and is financed primarily through ad valorem taxes. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

GASB Statement No. 14, *The Reporting Entity*, as amended by GASB Statement No. 61, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations of which the nature and significance of their relationship with the primary government is such that exclusion of these organizations from the primary government's financial statements would be misleading. Therefore, an organization is considered to be a component unit of the police jury if one of the following criteria is met:

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

Because the police jury has financial accountability and appoints a voting majority of the board of commissioners, Jefferson Davis Parish Mosquito Abatement District No. 1 was determined to be a component unit of the Jefferson Davis Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

The financial statements of the District have been prepared in accordance with generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. Information contained in these statements reflects 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 requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. For the most part, the effect of interfund activity has been removed from these statements. The District has only one fund and as such, there is no interfund activity. The District has no component units.

The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District does not have any business-type activities and reports only governmental activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the entity's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

Notes to Financial Statements

As of and for the Year Ended December 31, 2020

The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of a governmental entity are classified into two categories: governmental and proprietary (enterprise). The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expense of that individual governmental or enterprises fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are a least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the District are described below:

Governmental Funds:

General Fund – The General Fund is the primary operating fund of the District. It accounts for all financial resources of the District.

C. Measurement Focus / Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item (b) below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a) All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b) The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. 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*.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligations bond principal and interest which are reported when due. The proprietary fund utilizes the accrual basis of accounting.

Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

Revenues – Property taxes are recorded in the year the taxes are assessed. Property taxes are assessed for the calendar year, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December of the current year and January and February of the following year. Interest income represents amounts earned on certificates of deposits, repurchase agreements and insured money market accounts invested with financial institutions. Interest earned on certificates of deposit is recorded when the certificate matures and the interest is available. Interest earned on insured money market accounts and repurchase agreements is recorded when received. Intergovernmental revenue is recorded when received.

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

Other Financing Sources (Uses) – Proceeds from the sale of bonds are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

D. Budgetary Practices

The District has adopted an operating budget for its general fund. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption. Any amendment involving increases in expenditures must be approved by the District. Budgeted amounts in the accompanying financial statements include all amendments. All budgeted

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

amounts, which are not expended or obligated through contracts, lapse at year end. The District's budget is materially consistent with accounting principles generally accepted in the United States of America and the basis of accounting utilized by the District's general fund.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts, and repurchase agreements. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the United States, or under the laws of the State of Louisiana, or any other state in the union. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana Law and national banks having principle offices in Louisiana, or in obligations guaranteed by the federal government.

F. Receivables

All receivables are reported at their net values, which is the gross receivable less the estimated portion that is expected to be uncollectible.

G. Capital Assets

In the fund financial statements (FFS), fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

In the government-wide financial statements (GWFS), fixed assets are accounted for as capital assets and depreciated over time. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets, which include building, improvements, furniture and fixtures, and other assets, are to be reported in the governmental columns in the government-wide financial statements. All capital assets are valued at historical cost or if contributed property, at their estimated fair value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful life by type of assets is as follows:

Buildings and improvements	10-30 years
Equipment	5-15 years
Furniture and Fixtures	5-10 years

Notes to Financial Statements

As of and for the Year Ended December 31, 2020

H. Compensated Absences

Full time employees accrue vacation leave at varying rates depending on years of service. Vacation leave must be used in the year it is accrued. An employee who resigns with proper notice may be paid unused vacation leave. Employees accrue sick leave at varying rates depending on years of service. Employees are allowed to carryover up to 80 hours of accrued sick leave. Upon termination of employment, employees are paid any unused vacation leave, but any remaining sick leave is forfeited. At December 31, 2020, the District had accrued vacation leave of \$5,767.

I. Pension Plan

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

J. Equity Classifications

Government-Wide Statements – Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consist of capital assets including restricted capital assets, net of accumulated depreciation and related debt.
- b. Restricted net position – consists of net resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – all other net resources that do not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District applies restricted resources first, then unrestricted as needed.

Governmental Fund Statements – Equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable fund balance – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balance – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

Notes to Financial Statements

As of and for the Year Ended December 31, 2020

Committed fund balance – amounts that can be used for specific purposes determined by a formal action of the Board of Commissioners. The Board of Commissioners is the highest level of decision-making authority for the Jefferson Davis Parish Mosquito Abatement District No. 1. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by board members.

Assigned fund balance – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Commissioners has authorized management to assign amounts for specific purposes.

Unassigned fund balance – all other spendable amounts.

As of December 31, 2020, the General Fund has an unassigned fund balance of \$4,744,871. It is the District's policy to use restricted fund balances first, followed by committed resources, then assigned resources, and unassigned resources as they are needed.

K. Estimates

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

L. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Jefferson Davis Parish Mosquito Abatement District No. 1, which are either unusual in nature or infrequent in occurrence. During the year ended December 31, 2020, the District had no extraordinary or special items.

M. Date of Management's Review

Subsequent events were evaluated through June 30, 2021, which is the date the financial statements were available to be issued.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

2. Property Taxes

Taxes are levied on November 15 and payable by December 31. Tax revenues are recognized in the year they are billed. The Jefferson Davis Parish Sheriff's office bills and collects the property taxes on behalf of the District. The taxes are remitted to the District net of deductions for Pension Fund Contributions.

The District was authorized and levied 7.76 mills in property taxes for the year ended December 31, 2020.

3. Deposits and Investments

A. Deposits

As of December 31, 2020, the District has cash and cash equivalents (book balances) as follows:

<u>Deposit Type</u>	<u>Governmental Activities</u>
Cash on hand	\$ 150
Cash - demand deposits	157,349
Deposits with LAMP	<u>480,710</u>
Total	<u>\$638,209</u>

Additionally, the District has certificates of deposit totaling \$2,357,339 on deposit in local banks which are presented as investments in the financial statements.

A portion of the District's funds are held and managed by the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-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 60 days, and consists of no securities with a maturity in excess of 397 days. 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.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be recovered. Under state law, the District’s deposits (or resulting bank balances) 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 deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the District or the pledging bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2020, the District has \$2,516,517 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$254,447 of federal deposit insurance and \$2,262,070 of pledged securities held by the custodial bank in the name of the District. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

B. Investments

At December 31, 2020, the District had the following investments and maturities:

Investment Type	% of Portfolio	Fair Value	Investments Maturities (in Years)	
			Less than 1	1-5
Certificates of deposit- (maturities exceeding 90 days)	100%	\$2,357,339	\$ -	\$ 2,357,339

Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a written investment policy, but does adhere to state laws regarding allowable investments. The certificates of deposit are not rated.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As discussed previously, certificates of deposit are considered fully collateralized under the provisions of GASB Statement 3. Accordingly, the District had no custodial credit risk related to its investments of December 31, 2020.

Concentration of Credit Risk – The District places no limit on the amount it may invest in any one issuer. More than 5 percent of the District’s investments at December 31, 2020, are invested in certificates of deposit held at one financial institution. These investments are 100% of the District’s total investments at December 31, 2020.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

4. Capital Assets:

Capital assets activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated:				
Buildings and improvements	\$ 582,863	\$ -	\$ -	\$ 582,863
Equipment	2,363,742	15,106	65,713	2,313,135
Furniture and fixtures	21,201	1,444	684	21,961
Total capital assets being depreciated	<u>2,967,806</u>	<u>16,550</u>	<u>66,397</u>	<u>2,917,959</u>
Less accumulated depreciation:				
Buildings and improvements	404,180	12,883	-	417,063
Equipment	726,216	137,623	42,789	821,050
Furniture and fixtures	13,088	1,186	684	13,590
Total accumulated depreciation	<u>1,143,484</u>	<u>151,692</u>	<u>43,473</u>	<u>1,251,703</u>
Total capital assets being depreciated, net	<u>\$ 1,824,322</u>	<u>\$ (135,142)</u>	<u>\$ 22,924</u>	<u>\$ 1,666,256</u>

Depreciation expense of \$151,692 was charged to governmental activities: Mosquito Abatement

5. Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District has elected to purchase commercial insurance to reduce the risk of loss. These policies are reviewed for adequacy by management annually. There were no significant changes in the coverages, retentions, or limits during the year ended December 31, 2020. There were no settled claims exceeding the commercial coverages in any previous three fiscal years.

6. Litigation and Claims

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. No claim expenditures or liabilities are reported in the accompanying financial statements. The District is not presently involved in any litigation as defendant.

7. Board of Commissioners Compensation

As provided by Louisiana Revised Statute 33:7723 the board of commissioners serves without compensation.

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

8. Pension Plan

Employees of the District are provided retirement through Parochial Employees' Retirement System. All employees are members of Plan A.

A. Parochial Employees' Retirement System (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.

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.

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.

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

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 DROP 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 DROP 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 DROP 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 for those members who are enrolled prior to January 1, 2007, and to age 62 for those members who are enrolled January 1, 2007, and later..

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.

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

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 A. According to state statute, the System also receives $\frac{1}{4}$ 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 District's contractually required contribution rate for the year ended December 31, 2020, was 12.25% 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 District were \$44,404 for the year ended December 31, 2020.

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

At December 31, 2020, the District reported a liability of \$2,539 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 District's proportion of the Net Pension Liability was based on a projection of the District'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 District's proportion was .053937%, which was a decrease of .000081 percentage points from its proportion measured as of December 31, 2018.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

For the year ended December 31, 2020, the District recognized pension expense of \$49,193 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$2,547.

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (22,730)
Changes of assumptions	35,461	-
Net difference between projected and actual earnings on pension plan investments	-	(95,177)
Change in proportion and differences between employer contributions and proportionate share of contributions	538	(3,059)
Employer contributions subsequent to the measurement date	44,404	-
Total	\$ 80,403	\$ (120,966)

Deferred outflows of resources of \$44,404 related to PERS resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 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:

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

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

Year Ended June 30		
2021		\$ (20,739)
2022		(23,673)
2023		2,291
2024		(42,846)
		\$ (84,967)

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% (2.35% merit and 2.40% inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for General Employees for employees. Pub-2010 Public Retirement Plans Mortality Table for Health Retirees for annuitants and beneficiaries Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees 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.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

Notes to Financial Statements

As of and for the Year Ended December 31, 2020

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

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 assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

Notes to Financial Statements

As of and for the Year Ended December 31, 2020

Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

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

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 6.50%, as well as what the District's proportionate share of the net pension liability (asset) 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 Discout Rate 6.50%	One Percentage Point Increase 7.50%
Net Pension Asset (Liability)	<u>\$ 274,426</u>	<u>\$ (2,539)</u>	<u>\$ (225,297)</u>

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

These financial statements do not include a payable to the pension plan because there were no legally required contribution due at December 31, 2020.

Required Supplemental Information

JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance with Final Budget Favorable / (Unfavorable)
	Original	Final		
REVENUES				
Property taxes	\$ 1,727,500	\$ 1,727,500	\$ 1,944,305	\$ 216,805
Investment earnings	39,500	39,500	67,801	28,301
Miscellaneous	8,000	8,000	-	(8,000)
Total revenues	<u>1,775,000</u>	<u>1,775,000</u>	<u>2,012,106</u>	<u>237,106</u>
EXPENDITURES				
General office and administrative	455,850	455,850	352,683	103,167
Surveillance	292,300	292,300	250,258	42,042
Control and equipment maintenance	1,026,850	1,026,850	869,875	156,975
Total expenditures	<u>1,775,000</u>	<u>1,775,000</u>	<u>1,472,816</u>	<u>302,184</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>539,290</u>	<u>539,290</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	<u>-</u>	<u>-</u>	<u>18,346</u>	<u>18,346</u>
Net change in fund balance	-	-	557,636	557,636
Fund balance - beginning	<u>4,187,235</u>	<u>4,187,235</u>	<u>4,187,235</u>	<u>-</u>
Fund balance - ending	<u>\$ 4,187,235</u>	<u>\$ 4,187,235</u>	<u>\$ 4,744,871</u>	<u>\$ 557,636</u>

See accompanying notes to Required Supplementary Information.

**JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana**

**Schedule of Employer's Share of Net Pension Liability
Parochial Employees' Retirement System
For the Year Ended December 31, 2020**

Year ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.053937%	\$ 2,539	\$ 342,000	0.74%	99.89%
2019	0.054339%	\$ 241,176	\$ 334,049	72.20%	88.86%
2018	0.054018%	\$ (40,095)	\$ 332,490	(12.06%)	108.98%
2017	0.077932%	\$ 160,502	\$ 462,174	34.73%	94.15%
2016	0.078524%	\$ 206,698	\$ 450,228	45.91%	99.23%
2015	0.074800%	\$ 20,451	\$ 399,014	5.13%	99.15%

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

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

See accompanying notes to Required Supplementary Information.

SCHEDULE 3

**JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana**

**Schedule of Employer Contributions
Parochial Employees' Retirement System
For the Year Ended December 31, 2020**

Year ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2020	\$ 44,404	\$ 44,404	\$ -	\$ 362,480	12.25%
2019	\$ 39,330	\$ 39,330	\$ -	\$ 342,000	11.50%
2018	\$ 38,416	\$ 38,416	\$ -	\$ 334,049	11.50%
2017	\$ 41,561	\$ 41,561	\$ -	\$ 332,490	12.50%
2016	\$ 60,083	\$ 60,083	\$ -	\$ 462,174	13.00%
2015	\$ 65,283	\$ 65,283	\$ -	\$ 450,228	14.50%

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

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

See accompanying notes to Required Supplementary Information.

Jefferson Davis Parish Mosquito Abatement District No. 1

Jennings, Louisiana

Notes to Required Supplementary Information

As of and for the Year Ended December 31, 2020

1. Budget

Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District. Legally, the District 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 District to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and /or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

2. Pensions

Changes of Benefit Terms

There were no changes of benefit terms for the year ended December 31, 2020.

Changes of Assumptions

There were no changes of assumptions for the year ended December 31, 2020.

Other Supplemental Schedules

**JEFFERSON DAVIS PARISH MOSQUITO ABATEMENT DISTRICT NO. 1
Jennings, Louisiana**

**Schedule of Compensation, Benefits, and other Payments
to Agency head or Chief Executive Officer
For the Year Ended December 31, 2020**

Agency Head Name: Robert Tonn, Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 67,484
Benefits-insurance	10,766
Benefits-retirement	8,267
Benefits-other	-
Mileage	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	\$ 86,517

Other Reports



J. Aaron Cooper, CPA, LLC

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*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 *Governmental Auditing Standards*

Board of Commissioners
Jefferson Davis Parish Mosquito
Abatement District No. 1
Jennings, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Jefferson Davis Parish Mosquito Abatement District No. 1 (the District), a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued my report thereon dated June 30, 2021.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Jefferson Davis Parish Mosquito Abatement District No. 1'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 no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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

Certified Public Accountant

Jennings, Louisiana
June 30, 2021

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

Schedule of Findings and Questioned Costs and Management's Corrective Action Plan
As of and for the Year Ended December 31, 2020

No current year findings.

Jefferson Davis Parish Mosquito Abatement District No. 1
Jennings, Louisiana

Summary Schedule of Prior Year Findings
As of and for the Year Ended December 31, 2019

INTERNAL CONTROL:

Finding 2019-01 – Internal control over expenditures

Condition: A review of cash disbursements disclosed deviations from purchasing policy. Two purchases out of forty tested contained purchase orders dated one day after the purchase.

Criteria: Good internal control dictate that purchases be authorized by a member of management prior to purchase. District policy requires a purchase order on all purchases over \$100.

Cause: Personnel failed to obtain purchase orders prior to making purchases.

Effect: Without a good purchase order system, unauthorized purchases could be made by District employees.

Recommendation: Purchase orders should be properly obtained for all purchases over \$100 in accordance with District policy.

Corrective action taken: The district management has directed all personnel responsible for purchases to properly obtain purchase orders for all purchases over \$100 in accordance with District policy.