

GRANT PARISH POLICE JURY

Colfax, Louisiana

Annual Financial Report

For the year ended December 31, 2020

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report.....	1-3
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</i> <i>Auditing Standards</i>	4-5
Required Supplemental Information (Part I) Management's Discussion and Analysis.....	6-9
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities.....	11-12
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	13
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	15
Proprietary Funds	
Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Net Position	17
Statement of Cash Flows.....	18
Notes to Financial Statements	19-42
Required Supplemental Information (Part II)	
Statement of Revenues, Expenditures, and Changes in Fund Balances (Budget and Actual)	
General Fund	43
Major Special Revenue Funds.....	44
Schedule of Net Pension Liability Data Cost Sharing Retirement Systems.....	45
Schedule of Employer Contributions Cost Sharing Retirement Systems.....	46
Other Supplemental Information	
Non-Major Governmental Funds	
Combining Balance Sheet.....	47
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance.....	48
Non-Major Maintenance Fund	
Combining Balance Sheet.....	49
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance.....	50
Schedule of Expenditures of Federal Awards	51
Schedule of Compensation Paid to Police Jurors	52
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	53
Justice System Funding Schedule – Receiving Entity.....	54
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	55-56
Schedule of Findings and Questioned Cost	57-58
Management's Corrective Action Plan.....	59
Summary of Prior Year Findings	60



INDEPENDENT AUDITORS' REPORT

The Grant Parish Police Jury
Colfax, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grant 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 basic financial statements of the Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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



1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

Grant Parish Police Jury

June 24, 2021

Summary of Opinions

Opinion Unit:	Type of Opinion:
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Major Funds	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 financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury 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. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are excluded from the Police Jury's financial statements.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Grant Parish Police Jury as of December 31, 2020, or the changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Grant Parish Police Jury, as of December 31, 2020, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the information listed below to supplement the basic financial statements.

- Management's discussion and analysis
- Budgetary comparison information
- Schedule of net pension liability data
- Schedule of employer contributions

Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted

Grant Parish Police Jury
June 24, 2021

in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The other supplemental information listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The other supplemental information listed in the table of contents and the schedule of expenditures of federal awards 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 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 of themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information listed in the table of contents and the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the Grant Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Parish's internal control over financial reporting and compliance.



Rozier, McKay & Willis
Alexandria, Louisiana
June 24, 2021



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*

The Grant Parish Police Jury
Colfax, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grant 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 basic financial statements and have issued our report thereon dated June 24, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items (2020-002 and 2020-003) that we consider to be significant deficiencies.



1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

Grant Parish Police Jury

June 24, 2021

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Grant Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as 2020-001.

Response to Findings

The Grant Parish Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Rozier, McKay & Willis
Alexandria, Louisiana
June 24, 2021

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

This section of the Grant Parish Police Jury's annual financial report presents our discussion and analysis of the Parish's financial performance during the fiscal year ended December 31, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Parish's financial position and results of operations from differing perspectives, which are described as follows:

Government –Wide Financial Statements

The government-wide financial statements report information about the Parish as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Parish's assets and all of the Parish's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including general government; public works; health and human services are reported as governmental activities. The governmental activities are financed by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** – Expenses associated with providing utility services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Parish's most significant activities and are not intended to provide information for the Parish as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Parish has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Parish's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Parish's utility services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

FINANCIAL ANALYSIS OF THE PARISH AS A WHOLE

Net Position

A condensed version of the government-wide Statement of Net Position is presented as follows:

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

	For the Year Ended December 31, 2020			For the Year Ended December 31, 2019
	Gov- ern- men- tal Acti- vities	Busi- ness- Type Acti- vities	Total	
Assets:				
Current and Other Assets	\$ 4,867,986	\$ 551,209	\$ 5,419,195	\$ 4,746,655
Capital Assets	6,386,370	215,487	6,601,857	5,857,940
Total Assets	11,254,356	766,696	12,021,052	10,604,595
Deferred Outflows:				
	434,364	36,260	470,624	914,576
Liabilities:				
Current and Other Liabilities	593,453	108,183	701,636	364,119
Long-term Liabilities	809,963	5,769	815,732	1,766,256
Total Liabilities	1,403,416	113,952	1,517,368	2,130,375
Deferred Inflows:				
	435,846	54,885	490,731	101,211
Net Position:				
Invested in Capital Assets (Net)	5,884,932	215,487	6,100,419	5,226,566
Restricted	3,164,788	----	3,164,788	2,732,219
Unrestricted	799,738	418,632	1,218,370	1,328,800
Total Net Position	\$ 9,849,458	\$ 634,119	\$ 10,483,577	\$ 9,287,585

As the presentation appearing above demonstrates, the largest portion of the net position is invested in capital assets. Net position invested in capital assets consist of land, construction in process, buildings, equipment, and infrastructure less any debt used to acquire the assets that remains outstanding. The Parish uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net position represent resources that are subject to restrictions that are imposed by agreements with the Parish's taxpayers or requirements imposed by various revenue sources.

The remaining balance of unrestricted assets may be used to meet the Parish's ongoing obligations to citizens and creditors.

Changes in Net Position

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

	For the Year Ended December 31, 2020			For the Year Ended December 31, 2019
	Govern- mental Activities	Business- Type Activities	Total	
Revenues:				
Program Revenue:				
Charges for Services	\$ 345,815	\$ 507,035	\$ 852,850	\$ 934,565
Operating Grants and Contributions	1,089,369	----	1,089,369	1,008,805
Capital Grants and Contributions	1,185,885	----	1,185,885	45,225
General Revenue:				
Property Taxes	1,085,744	----	1,085,744	1,066,895
Sales Taxes	1,559,457	----	1,559,457	1,321,134
Severance Taxes	367,733	----	367,733	562,547
Other Taxes	202,975	----	202,975	200,039
Revenue Sharing	86,871	----	86,871	84,877
Gain on Sale of Assets	----	----	----	122,997
Payment in Lieu of Taxes	165,323	----	165,323	190,191
Other	42,138	2,048	44,186	181,234
Total Revenue	6,131,310	509,083	6,640,393	5,718,509
Program Expenses:				
General Government	1,385,211	----	1,385,211	1,439,734
Public Safety	322,390	----	322,390	320,124
Public Works	3,096,857	----	3,096,857	3,291,992
Health & Welfare	114,046	----	114,046	95,160
Culture and Recreation	12,150	----	12,150	47,634
Utility Service	----	513,747	513,747	522,905
Total Expenses	4,930,654	513,747	5,444,401	5,717,549
Change in Net Position	1,200,656	(4,664)	1,195,992	960
Net Position Beginning, As Originally Reported	8,666,799	636,910	9,303,709	9,286,625
Prior Period Adjustment	(17,997)	1,873	(16,124)	----
Net Position Beginning, As Restated	8,648,802	638,783	9,287,585	----
Net Position Ending	\$ 9,849,458	\$ 634,119	\$ 10,483,577	\$ 9,287,585

Governmental activities increased the Parish's net position by \$1,200,656. This increase is attributable to the Parish receiving operating grants and contributions and the prudent use of the Parish's resources.

Business-type activities decreased the Parish's net position by \$4,664. This decrease is attributable to a decrease in natural gas sales revenue.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

FINANCIAL ANALYSIS OF THE PARISH'S FUNDS

An analysis of significant matters affecting the Parish's funds is presented as follows:

- The Parish's governmental funds reported combined fund balances of \$4,274,533, which represents an increase of \$306,292 in comparison to the previous balance. This increase is due to prudent use of the Police Jury's resources.
- In addition, the Parish's general fund, reported a fund balance of \$835,050. The general fund balance decreased by \$132,885. This decrease is attributable to a decrease in Severance Tax revenues.
- Amounts reported for business-type activities in the Parish's individual funds are identical to the business-type activities reported in the government-wide presentation.

BUDGET HIGHLIGHTS

The Parish's general fund and each special revenue fund are required to adopt budgets. Budgets were amended to address actual experiences that deviated from expectations that existed when the original budget was adopted.

CAPITAL ASSET ADMINISTRATION

Highlights of the Parish's capital asset administration are provided as follows:

- Work was completed on upgrading of the natural gas system.
- Work was completed on the Kateland Road Reconstruction Project.
- Work started on the South Grant Sewer Project.

DEBT ADMINISTRATION

Debt activity was limited to making scheduled payments due on existing obligations.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

There are no events or conditions that are expected to have a significant influence on future operations.

Grant Parish Police Jury

STATEMENT OF NET POSITION

December 31, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 2,984,126	\$ 479,387	\$ 3,463,513
Receivables (net)	1,883,860	71,822	1,955,682
Capital assets			
Non depreciable capital assets			
Construction in Process	556,563	-	556,563
Land	203,250	-	203,250
Depreciable capital assets, net	<u>5,626,557</u>	<u>215,487</u>	<u>5,842,044</u>
Total assets	<u>11,254,356</u>	<u>766,696</u>	<u>12,021,052</u>
DEFERRED OUTFLOWS	<u>434,364</u>	<u>36,260</u>	<u>470,624</u>
LIABILITIES			
Accounts and Other Payables	593,453	27,459	620,912
Deposits Due Others	-	80,724	80,724
Long-term liabilities			
Compensated Absences	39,826	4,608	44,434
Notes Payable			
Due within one year	143,681	-	143,681
Due in more than one year	357,757	-	357,757
Aggregate Net Pension Liability	<u>268,699</u>	<u>1,161</u>	<u>269,860</u>
Total liabilities	<u>1,403,416</u>	<u>113,952</u>	<u>1,517,368</u>
DEFERRED INFLOWS	<u>435,846</u>	<u>54,885</u>	<u>490,731</u>
NET POSITION			
Invested in capital assets, net of related debt	5,884,932	215,487	6,100,419
Restricted:			
Maintenance	3,048,685	-	3,048,685
Judicial	64,116	-	64,116
Construction	51,987	-	51,987
Unrestricted	<u>799,738</u>	<u>418,632</u>	<u>1,218,370</u>
Total net position	<u>\$ 9,849,458</u>	<u>\$ 634,119</u>	<u>\$ 10,483,577</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

STATEMENT OF ACTIVITIES

December 31, 2020

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenue</u>
			<u>Operating Grants and Contributions</u>	<u>Capital Grants & Contributions</u>	
<u>Governmental Activities:</u>					
General Government					
Legislative	\$ 227,987	\$ -	\$ -	\$ -	\$ (227,987)
Judicial	641,885	191,004	136,289	-	(314,592)
Finance & Administrative	294,552	-	-	-	(294,552)
Other General Government	220,787	-	31,042	-	(189,745)
Public Safety	322,390	-	-	-	(322,390)
Public Works					
Road Maintenance	1,407,583	-	883,107	660,571	136,095
Landfill Maintenance	1,679,322	136,019	35,731	-	(1,507,572)
South Grant Sewer Construction	-	-	-	525,314	525,314
Other Public Works	9,952	-	3,200	-	(6,752)
Health & Welfare	114,046	12,602	-	-	(101,444)
Culture & Recreation	12,150	6,190	-	-	(5,960)
Total Governmental Activities	<u>4,930,654</u>	<u>345,815</u>	<u>1,089,369</u>	<u>1,185,885</u>	<u>(2,309,585)</u>
<u>Business-Type Activities:</u>					
Gas District	490,511	472,591	-	-	(17,920)
Sewerage District #1	23,236	34,444	-	-	11,208
Total Business-Type Activities	<u>513,747</u>	<u>507,035</u>	<u>-</u>	<u>-</u>	<u>(6,712)</u>
Total	<u>\$ 5,444,401</u>	<u>\$ 852,850</u>	<u>\$ 1,089,369</u>	<u>\$ 1,185,885</u>	<u>\$ (2,316,297)</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

STATEMENT OF ACTIVITIES (continued)

December 31, 2020

	Governmental Activities	Business- Type Activities	Total
Net (Expense) Revenue (Continued From Previous Page)	\$ (2,309,585)	\$ (6,712)	\$ (2,316,297)
<u>General Revenues:</u>			
Taxes:			
Ad Valorem	1,085,744	-	1,085,744
Sales	1,559,457	-	1,559,457
Severance	367,733	-	367,733
Other	202,975	-	202,975
Revenue Sharing	86,871	-	86,871
Payment in Lieu of Taxes	165,323	-	165,323
Gain on Sale of Capital Assets	-	-	-
Other	42,138	2,048	44,186
Total General Revenues	<u>3,510,241</u>	<u>2,048</u>	<u>3,512,289</u>
Change in Net Position	1,200,656	(4,664)	1,195,992
Net Position - Beginning - As Originally Reported	8,666,799	636,910	9,303,709
Prior Period Adjustment	(17,997)	1,873	(16,124)
Net Position - Beginning, As Restated	<u>8,648,802</u>	<u>638,783</u>	<u>9,287,585</u>
Net Position - Ending	<u>\$ 9,849,458</u>	<u>\$ 634,119</u>	<u>\$ 10,483,577</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

Balance Sheet

Governmental Funds - December 31, 2020

	General Fund	Parish Road Maintenance	Sales Tax Fund	Courthouse and Jail Maintenance	South Grant Sewer	LCDBG Kateland Road	Other Governmental Funds	Total Governmental Funds
Assets								
Cash and Cash Equivalents	\$ 286,338	\$ 580,640	\$ 931,229	\$ 110,034	\$ 52	\$ -	\$ 1,075,833	\$ 2,984,126
Receivables (net)	394,164	539,525	313,452	189,927	255,701	-	191,091	1,883,860
Interfund Receivables	328,603	43,350	3,016	-	-	-	5,000	379,969
Total assets	<u>\$ 1,009,105</u>	<u>\$ 1,163,515</u>	<u>\$ 1,247,697</u>	<u>\$ 299,961</u>	<u>\$ 255,753</u>	<u>\$ -</u>	<u>\$ 1,271,924</u>	<u>\$ 5,247,955</u>
Liabilities and Fund Balance								
Liabilities								
Accounts payable	\$ 169,055	\$ 8,592	\$ 69,397	\$ 6,477	\$ 255,689	\$ -	\$ 84,243	\$ 593,453
Interfund Payables	5,000	1,842	189,438	106,970	-	-	76,719	379,969
Total liabilities	<u>174,055</u>	<u>10,434</u>	<u>258,835</u>	<u>113,447</u>	<u>255,689</u>	<u>-</u>	<u>160,962</u>	<u>973,422</u>
Fund Balance								
Nonspendable	328,603	-	-	-	-	-	-	328,603
Restricted for:								
Maintenance	-	1,153,081	988,862	186,514	-	-	720,228	3,048,685
Judicial	-	-	-	-	-	-	64,116	64,116
Construction	-	-	-	-	-	-	51,987	51,987
Committed To:								
Maintenance	-	-	-	-	-	-	42,640	42,640
Construction	-	-	-	-	64	-	-	64
Litter Abatement	-	-	-	-	-	-	740	740
General Purposes	-	-	-	-	-	-	262,774	262,774
Unassigned	506,447	-	-	-	-	-	(31,523)	474,924
Total Fund Balances	<u>835,050</u>	<u>1,153,081</u>	<u>988,862</u>	<u>186,514</u>	<u>64</u>	<u>-</u>	<u>1,110,962</u>	<u>4,274,533</u>
Total Liabilities and Fund Balance	<u>\$ 1,009,105</u>	<u>\$ 1,163,515</u>	<u>\$ 1,247,697</u>	<u>\$ 299,961</u>	<u>\$ 255,753</u>	<u>\$ -</u>	<u>\$ 1,271,924</u>	<u>\$ 5,247,955</u>

Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position.		
Total Fund Balances - Governmental Funds		\$ 4,274,533
Amounts reported for governmental activities in the statement of net position are different because:		
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet		
Compensated Absences	(39,826)	
Long-Term Debt	(501,438)	
Net Pension Asset (Liability)	(268,699)	(809,963)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land	203,250	
Construction in Process	556,563	
Depreciable Assets (net)	5,626,557	6,386,370
Deferred inflows and outflows of resources that do not meet criteria for inclusion in the Governmental Funds Balance Sheet		
Deferred Outflows	434,364	
Deferred Inflows	(435,846)	(1,482)
Net Position of Governmental Activities		\$ 9,849,458

Grant Parish Police Jury

Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental Funds - Year Ended December 31, 2020

	General Fund	Parish Road Maintenance	Sales Tax Fund	Courthouse and Jail Maintenance	South Grant Sewer	LCDBG Kateland Road	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes:								
Ad Valorem	\$ 252,162	\$ 480,358	\$ -	\$ 182,902	\$ -	\$ -	\$ 170,322	\$ 1,085,744
Sales	-	-	1,559,457	-	-	-	-	1,559,457
Other	64,806	-	-	-	-	-	138,169	202,975
Federal Funds	196,365	552,837	-	-	178,757	660,571	-	1,588,530
State Funds:								
Parish Transportation Funds	-	298,424	-	-	-	-	-	298,424
State Revenue Sharing	20,776	41,634	-	14,887	-	-	9,574	86,871
Severance Taxes	367,733	-	-	-	-	-	-	367,733
Facility Planning and Control	-	-	-	-	346,557	-	-	346,557
Other State Funds	12,688	-	-	-	-	-	-	12,688
Local Funds								
Fees and Charges for Service	88,904	-	136,019	-	-	-	-	224,923
Fines and Forfeitures	50,897	-	-	-	-	-	140,107	191,004
Rental of Properties	6,190	35	-	-	-	-	12,602	18,827
Refunds	-	31,811	35,731	-	-	-	-	67,542
Other	16,571	17,252	1,942	4,397	-	-	1,976	42,138
Total Revenues	1,135,189	1,422,351	1,733,149	202,186	525,314	660,571	541,454	6,220,214
Expenditures:								
Current:								
General Government								
Legislative	227,987	-	-	-	-	-	-	227,987
Judicial	310,739	-	-	-	-	-	295,952	606,691
Finance & Administrative	291,050	-	-	-	-	-	-	291,050
Other General Government	65,169	-	-	145,550	-	-	-	210,719
Public Safety	322,390	-	-	-	-	-	-	322,390
Public Works								
Road Maintenance	-	1,193,857	-	-	-	-	-	1,193,857
Landfill Maintenance	-	-	1,515,115	-	-	-	-	1,515,115
Other Public Works	352	-	-	-	-	-	9,600	9,952
Health & Welfare	-	-	-	-	-	-	95,930	95,930
Culture & Recreation	11,825	-	-	-	-	-	-	11,825
Capital Expenditures	-	-	-	-	556,563	702,771	-	1,259,334
Debt Service	-	42,617	108,458	-	-	-	-	151,075
Total Expenditures	1,229,512	1,236,474	1,623,573	145,550	556,563	702,771	401,482	5,895,925
Excess (Deficiency) of								
Revenues Over Expenditures	(94,323)	185,877	109,576	56,636	(31,249)	(42,200)	139,972	324,289
Other Financing Sources (Uses):								
Debt Proceeds	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-
Operating Transfers In (Out)	(38,562)	(28,397)	(10,988)	3,392	31,313	42,200	1,042	-
Total other financing sources (uses)	(38,562)	(28,397)	(10,988)	3,392	31,313	42,200	1,042	-
Net Change in Fund Balance	(132,885)	157,480	98,588	60,028	64	-	141,014	324,289
Fund Balance - Beginning	967,935	995,601	890,274	126,486	17,997	-	969,948	3,968,241
Prior Period Adjustment	-	-	-	-	(17,997)	-	-	(17,997)
Fund Balance - Beginning, As Restated	967,935	995,601	890,274	126,486	-	-	969,948	3,950,244
Fund Balance - Ending	\$ 835,050	\$ 1,153,081	\$ 988,862	\$ 186,514	\$ 64	\$ -	\$ 1,110,962	\$ 4,274,533

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year Ended December 31, 2020

Net change in fund balances of Governmental Funds \$ 324,289

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

Capital outlays are reported in the Governmental Funds as expenditures; however, in the Government-Wide Statement of Activities, the cost is reported as an asset and allocated over estimated useful lives as depreciation expense. Amounts reported as capital expenditures and depreciation expense are provided as follows:

Capital expenditures reported by the Governmental Funds	1,259,334	
Depreciation expense reported on a government-wide basis	<u>(493,703)</u>	765,631

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds. 15,282

Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuaries considerations (34,483)

Debt service expenditures reported by the governmental funds are reported as repayment of debt in the government-wide presentation. 129,937

Change in net position of governmental activities \$ 1,200,656

Grant Parish Police Jury

Statement of Net Position

Proprietary Funds - December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Gas Utility	Nonmajor	Total
	District	Funds	
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 444,445	\$ 34,942	\$ 479,387
Receivables (net)	68,962	2,860	71,822
Total current assets	513,407	37,802	551,209
Noncurrent Assets			
Construction in process	-	-	-
Depreciable capital assets, net	215,487	-	215,487
Total assets	728,894	37,802	766,696
DEFERRED OUTFLOWS:			
Pension funding deferrals	36,260	-	36,260
LIABILITIES:			
Current Assets:			
Accounts and other payables	26,111	1,348	27,459
Deposits due others	80,724	-	80,724
Total current liabilities	106,835	1,348	108,183
Noncurrent Liabilities:			
Net pension liability	1,161	-	1,161
Compensated absences	4,608	-	4,608
Total liabilities	112,604	1,348	113,952
DEFERRED INFLOWS:			
Pension funding deferrals	54,885	-	54,885
NET POSITION:			
Invested in capital assets, net of related debt	215,487	-	215,487
Unrestricted	382,178	36,454	418,632
Total net position	\$ 597,665	\$ 36,454	\$ 634,119

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds - December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Gas Utility	Nonmajor	Total
	District	Funds	
<u>Operating Revenues:</u>			
Service Fees	\$ 460,073	\$ 34,444	\$ 494,517
Other	12,518	-	12,518
Total Operating Revenues	472,591	34,444	507,035
<u>Operating Expenses:</u>			
Purchases of Natural Gas	75,055	-	75,055
Salaries	160,843	-	160,843
Employee Benefits & Payroll Taxes	87,371	-	87,371
Professional Services	30,518	285	30,803
Depreciation	21,714	-	21,714
Repairs & Maintenance - Distribution System	61,048	12,352	73,400
Equipment Maintenance and Rental	17,142	-	17,142
Telephone & Utilities	11,817	9,262	21,079
Office Supplies and Expense	8,544	322	8,866
Other	16,459	1,015	17,474
Total Operating Expenses	490,511	23,236	513,747
Operating Income (Loss)	(17,920)	11,208	(6,712)
<u>Nonoperating Revenues (Expenses):</u>			
Interest Revenue	2,026	22	2,048
Change in Net Position	(15,894)	11,230	(4,664)
Total Net Position - Beginning	613,559	23,351	636,910
Prior Period Adjustment	-	1,873	1,873
Total Net Position - Beginning, As Restated	613,559	25,224	638,783
Total Net Position - Ending	\$ 597,665	\$ 36,454	\$ 634,119

The accompanying notes are an integral part of the financial statements.

Grant Parish Police Jury

Statement of Cash Flows

Proprietary Funds - Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Gas Utility	Nonmajor	Total
	District	Funds	
<u>Cash flow from operating activities:</u>			
Cash received from customers	\$ 477,003	\$ 34,412	\$ 511,415
Cash payments to suppliers of goods and services	(312,659)	(22,843)	(335,502)
Cash payments to employees for services	(166,648)	-	(166,648)
Net cash provided (used) by operating activities	(2,304)	11,569	9,265
<u>Cash flows from capital and related financing activities:</u>			
Acquisition of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
<u>Cash flows from investing activities:</u>			
Interest and other income	2,026	22	2,048
Net cash provided (used) by investing activities	2,026	22	2,048
Net increase (decrease) in cash	(278)	11,591	11,313
Beginning cash balance	444,723	23,351	468,074
Ending cash balance	<u>\$ 444,445</u>	<u>\$ 34,942</u>	<u>\$ 479,387</u>
<u>Reconciliation of operating income (loss) to net cash</u>			
Operating income (loss)	\$ (17,920)	\$ 11,208	\$ (6,712)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	21,714	-	21,714
(Increase) decrease in accounts receivable	2,695	(32)	2,663
(Decrease) increase in accounts and other payables	(4,194)	393	(3,801)
(Decrease) increase in compensated absences	(5,805)	-	(5,805)
(Decrease) increase in meter deposits	1,717	-	1,717
(Decrease) increase in net pension asset (liability)	(511)	-	(511)
Net cash provided (used) by operating activities	<u>\$ (2,304)</u>	<u>\$ 11,569</u>	<u>\$ 9,265</u>

Supplemental disclosures of cash flow information:

During the year ended December 31, 2020, there were no investing, capital, or financing activities that did not result in cash receipts or payments.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

NOTE 1 – INTRODUCTION AND SIGNIFICANT ACCOUNTING POLICIES:

The Grant Parish Police Jury is the governing authority for Grant Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by eight jurors representing the various districts within the Parish. The jurors serve four-year terms which expire on January 1, 2024.

State Law gives the Police Jury various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these are the powers to pass regulations affecting parish government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the Parish. Funding to accomplish these tasks is provided primarily by ad valorem taxes, sales and use taxes, state revenue sharing, various state and federal grants, and interest earnings.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Grant Parish Police Jury is the financial reporting entity for Grant Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on these criteria, the Police Jury has determined that the following component units are part of the Grant Parish Police Jury reporting entity:

<u>Grant Parish Components</u>	<u>Presentation</u>	<u>Grant Parish Components</u>	<u>Presentation</u>
District Attorney's Office	Discrete	Judicial Expense Fund	Discrete
Constables	Discrete	Gas Utility District	Blended
Justices of the Peace	Discrete	Recreation District No. 2	Discrete
Fire Protection Districts 1, 2, 3, 4, 5, 6, 7	Discrete	Sewer District No. 1	Blended
Ward Seven Hospital District	Discrete	Grant Parish Coroner	Discrete
Ward One Hospital District	Blended	Grant Parish Library	Discrete
Health Unit	Blended		

Considered in the determination of component units of the reporting entity was the Grant Parish School Board, Sheriff's Office, Tax Assessor, Clerk of Court, and various municipalities in the Parish. It was determined that these governmental entities are not component units of the Grant Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Grant Parish Police Jury.

The accompanying financial statements are not intended to present financial position, results of operation and proprietary fund cash flows for the reporting entity as a whole. Data of component units that are financially accountable to the Police Jury has been excluded from the financial statements. Due to the absence of component unit data, the financial statements do not address the entire reporting entity.

The accompanying financial statements present data that is limited to funds, organizations, institutions, agencies, departments, and offices that are managed by the Grant Parish Police Jury. These organizations include Ward One Hospital District, the Health Unit, and the Gas Utility District. The Ward One Hospital

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

District is reported in the financial statements as a special revenue fund and a capital projects fund as the medical clinic.

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Parish's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Parish as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities that may be reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, contributions associated with a particular function and most grants.

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and business-type (enterprise) funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Parish's major funds are described as follows:

Major Governmental Funds

General Fund – The general fund is the primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Parish Road Maintenance – The road fund is a special revenue fund used to account for the proceeds of funds received dedicated to the repair and maintenance of Parish roads.

Sales Tax Fund – The sales tax fund is a special revenue fund used to account for the proceeds dedicated to the pick up and disposal of garbage and repair and maintenance of roads within the Parish boundaries.

Courthouse and Jail Maintenance – This fund is a special revenue fund used to account for the proceeds of funds dedicated to the repair and maintenance of the Parish courthouse, jail, and related buildings.

South Grant Sewer System – This is a capital projects fund used to account for the funds of a grant to assist the Parish in building a sewerage system.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

LCDBG Kateland Road – This is a capital projects fund used to account for the funds of an LCDBG grant to assist the Parish in reconstructing Kateland Road.

Major Business-Type Funds

Gas Utility District – The utility fund is used to account for the operation of the Parish’s natural gas system, which is supported by user charges.

Business-Type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for natural gas and sewer.

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year-end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure of funds. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other financing source and repayment of long-term debt is reported as an expenditure of funds.

Nonexchange transactions, in which the Police Jury receives value without directly giving equal value in return, include property taxes, sales taxes, and grants. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Parish must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Police Jury on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted Assets

Any amounts reported as restricted assets, represent resources that must be expended in a specific manner. Restrictions of this nature can be imposed by tax propositions and various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

Budget Practices

Budgets, including any amendments, are prepared in the manner prescribed by Louisiana revised statutes. Police Jury budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. Furthermore, the budgets are amended as necessary in the manner prescribed by Louisiana revised statutes. The remaining funds are not required to adopt budgets.

Capital Assets

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Police Jury.

Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 4 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

Cash and Cash Equivalents

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts and certificates of deposit. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposit is typically mitigated by purchasing instruments that mature in one year or less.

Internal Activity

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

Compensated Absences

Full time and regular part-time employees earn vacation at rates that vary depending on length of service. Unused vacation that employees are allowed to carryforward is reported as long-term debt. Amounts attributable to the utility fund are reported as an expense during the year when leave is earned. Amounts attributable to governmental funds are reported as expenditures when the unused vacation is actually liquidated.

Statement of Cash Flows

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

Fund Balance Classification

Approval of the majority of the Police Jury is required to approve the commitment of fund balances. In situations where it is permissible to spend restricted or committed resources, the Police Jury typically depletes the available restricted or committed resources before consuming unrestricted resources.

NOTE 2 – TAXES:

Ad Valorem Taxes

Ad valorem taxes are assessed by the Grant Parish Assessor and collected for the Police Jury by the Grant Parish Sheriff's Office. The following is a summary of adjusted authorized and levied ad valorem tax millage:

	Adjusted Authorized Millage	Levied Millage	Expiration Date
General Alimony	4.49	4.49	None
Parish Road Maintenance	8.61	8.61	2027
Courthouse and Jail Maintenance	3.22	3.22	2027
Hospital Service District No. 1	2.56	2.56	2022
Health Unit Maintenance	2.07	2.07	2027

Sales and Use Tax

On November 21, 2015, voters of the parish approved a one per cent sales and use tax with no expiration date, which is dedicated to (1) paying the cost of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities for the Parish, including the cost of enforcing litter laws and the payment of the cost of closing garbage dumps owned or operated by the Parish and (2) for constructing, improving, operating, and/or resurfacing public roads in the Parish including acquiring, operating, and maintaining equipment. In addition, proceeds from the sales and use tax can be used to fund bonds to pay related capital costs. Sales taxes are collected on behalf of the Policy Jury by the Grant Parish Sheriff's Office.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

NOTE 3 -CASH AND CASH EQUIVALENTS:

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

At December 31, 2020, the Police Jury has \$3,666,793 in deposits (collected bank balance). These deposits are secured from risk by \$711,862 of federal deposit insurance and \$3,389,578 of pledged securities held by the custodial bank in the name of the fiscal agent bank. State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 – RECEIVABLES:

The following is a summary of receivables at December 31, 2020:

	Governmental Activities	Business- Type Activities	Total
<u>Accounts Receivable</u>			
Utility Accounts	\$ ----	\$ 71,822	\$ 71,822
Other	14,900	----	14,900
Total Accounts Receivable	<u>14,900</u>	<u>71,822</u>	<u>86,722</u>
<u>Due From Other Governmental Units</u>			
Ad Valorem Taxes	1,077,825	----	1,077,825
Sales Taxes	313,452	----	313,452
Federal Funds	34,573	----	34,573
State of Louisiana	429,693	----	429,693
Other	13,417	----	13,417
Total Due From Other Governments	<u>1,868,960</u>	<u>----</u>	<u>1,868,960</u>
Total Receivables	<u>\$ 1,883,860</u>	<u>\$ 71,822</u>	<u>\$ 1,955,682</u>

Management considers the amounts listed above to be fully collectible. There is no allowance for doubtful accounts.

NOTE 5 – INTERFUND BALANCES:

In the ordinary course of business, advances are made to various funds in order to provide needed resources on a temporary basis. Balances resulting from transactions of this nature are summarized as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

<u>Governmental Activities</u>	<u>Receivable</u>	<u>(Payable)</u>	<u>Net</u>
General	\$ 328,603	\$ (5,000)	\$ 323,603
Road Fund	43,350	(1,842)	41,508
Sales Tax Fund	3,016	(189,438)	(186,422)
Courthouse and Jail	----	(106,970)	(106,970)
Non-major Funds	5,000	(76,719)	(71,719)
Total Governmental Activities	<u>\$ 379,969</u>	<u>\$ (379,969)</u>	<u>\$ ----</u>

NOTE 6 – TRANSFERS:

In the ordinary course of business, the Parish routinely transfers resources between its funds for various reasons. A description of the transfers and the purpose for the transfers is presented as follows:

	<u>Governmental Activities</u>							<u>Total</u>
	<u>General Fund</u>	<u>Road</u>	<u>Sales Tax</u>	<u>Courthouse & Jail</u>	<u>South Grant Sewer</u>	<u>LCDBG Kateland Road</u>	<u>Non-Major</u>	
<u>Transfers In</u>								
Transfer of unrestricted resources to help cover expenses.	\$ 150,000	\$ ----	\$ ----	\$ ----	\$ ----	\$ 42,200	\$ ---	\$ 192,200
Transfer of resources by the general fund to cover necessary expenses.	----	1,803	1,012	3,392	31,313	----	151,042	188,562
Total Transfers In	<u>150,000</u>	<u>1,803</u>	<u>1,012</u>	<u>3,392</u>	<u>31,313</u>	<u>42,200</u>	<u>151,042</u>	<u>380,762</u>
<u>Transfers Out</u>								
Transfer of resources to the general fund to help cover expenses.	----	----	----	----	----	----	150,000	150,000
Transfer of resources from the general fund to cover necessary expenses.	188,562	----	----	----	----	----	----	188,562
Transfer of unrestricted resources to cover necessary expenses.	----	30,200	12,000	----	----	----	----	42,200
Total Transfers Out	<u>188,562</u>	<u>30,200</u>	<u>12,000</u>	<u>----</u>	<u>----</u>	<u>----</u>	<u>150,000</u>	<u>380,762</u>
Net Transfers	<u>\$ (38,562)</u>	<u>\$ (28,397)</u>	<u>\$ (10,988)</u>	<u>\$ 3,392</u>	<u>\$ 31,313</u>	<u>\$ 42,200</u>	<u>\$ 1,042</u>	<u>\$ ----</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

NOTE 7 – LONG-TERM LIABILITIES:

Debt attributable to the Police Jury’s governmental and business-type activities is summarized as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Capital Leases Payable	\$ 501,438	\$ ---	\$ 501,438
Compensated Absences	39,826	4,608	44,434
Total Long-term Debt	<u>\$ 541,264</u>	<u>\$ 4,608</u>	<u>\$ 545,872</u>

Changes in the Parish’s long-term debt for the year ended December 31, 2020, are presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Leases Payable	\$ 631,374	\$ ----	\$ 129,936	\$ 501,438
Compensated Absences	55,108	----	15,282	39,826
Total	686,482	----	145,218	541,264
<u>Business-Type Activities</u>				
Compensated Absences	10,413	----	5,805	4,608
Total Long-term Debts	<u>\$ 696,895</u>	<u>\$ ----</u>	<u>\$ 151,023</u>	<u>\$ 545,872</u>

Capital Leases Payable

The Police Jury has acquired equipment by entering into an installment purchase agreement. Installment purchase obligations outstanding at December 31, 2020 are described as follows:

Capital lease purchase agreement dated August 22, 2016 executed in exchange for a John Deere dozer, with an original balance of \$98,500, bearing interest at a rate of 4.95%, payable in 72 monthly installments of \$1,584.52.	\$ 33,230
Capital lease purchase agreement dated February 9, 2017 executed in exchange for a Kenworth litter getter, with an original balance of \$87,914, bearing interest at a rate of 2.54%, payable in 60 monthly installments of \$1,561.79.	21,522
Capital lease purchase agreement dated November 8, 2018 executed in exchange for two Mack garbage trucks, with an original balance of \$530,856, bearing interest at a rate of 3.97%, payable in 72 monthly installments of \$8,298.08.	367,731
Capital lease purchase agreement dated August 1, 2019 executed in exchange for a Freightliner dump truck, with an original balance of \$107,327, bearing interest at a rate of 3.80%, payable in 60 monthly installments of \$1,966.92.	<u>78,955</u>
Total	\$ 501,438
Due within one year	143,681
Due in more than one year	<u>\$ 357,757</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

A schedule of maturities for the note is presented as follows:

<u>Year Ended December 31st</u>	
2021	\$ 160,934
2022	142,121
2023	123,180
2024	113,346
Total minimum lease payments	<u>539,581</u>
Amounts representing interest	<u>38,143</u>
Present value of future minimum lease payments	<u>\$ 501,438</u>

Compensated Absences

Compensated absences refer to the Policy Jury's obligation to provide vested accrued leave benefits that have been earned by its employees. These liabilities are typically liquidated by the fund responsible for providing the employees compensation.

NOTE 8 - PENSION PLAN:

Substantially all of the Police Jury's employees are members of statewide retirement systems. These systems are cost-sharing, multiple employer defined benefit pension plans administered by separate boards of trustees. A summary of amounts reported in connection with participation in these plans is summarized as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees Retirement System	\$ (9,743)	\$ 304,357	\$ (460,693)
Registrar of Voters Retirement System	(22,378)	6,388	(3,730)
District Attorney Retirement System	<u>(237,739)</u>	<u>159,879</u>	<u>(26,308)</u>
Total	(269,860)	470,624	(490,731)
Portion Applicable to Business Type Activities	<u>(1,161)</u>	<u>36,260</u>	<u>(54,885)</u>
Portion Applicable to Government Type Activities	<u>\$ (268,699)</u>	<u>\$ 434,364</u>	<u>\$ (435,846)</u>

Further information regarding each of the retirement systems presented above is furnished as follows:

Parochial Employees Retirement System

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the Police Jury are members of Plan A. All permanent employees meeting minimum work requirements and who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. The length of credible service required for retirement at various ages varies depending on when employees were hired. Generally, employees meeting these requirements are entitled to a retirement benefit payable monthly for life, equal to three percent of their final-average salary for each year of creditable service. Employees who terminate with at least the amount of

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

creditable service stated above, and who do not withdraw their employee contributions, may retire at specified ages and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Funding Policy - Employees are required to contribute 9.5% of their salaries to the System. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The current rate is 11.50% of annual covered payroll. The contribution requirements of the plan members and the Police Jury are established and may be amended by state statute. In addition, contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. Contributions to the retirement system for the year ended December 31, 2020 and each of the two preceding years have been consistent with the required amounts.

Financial Summary - The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details the System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained at persla.org.

Plan A's net pension liability was determined at December 31, 2019 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 4,707,461
Police Jury's Proportionate Share (Percentage)	0.206973
Police Jury's Proportionate Share (Amount)	<u>\$ 9,743</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of Plan A's net pension liability during the measurement period ending December 31, 2019 are provided as follows:

Beginning Net Pension Liability	\$ 948,349
Employer Contributions	(151,059)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	188,768
Changes in Proportion	(2,789)
Employee Contributions	<u>(16,749)</u>
Change in Deferred Outflows of Resources	(555,674)
Change in Deferred Inflows of Resources	<u>(401,103)</u>
Ending Net Pension Liability	<u>\$ 9,743</u>

There were no changes between December 31, 2020 and the Plan A's measurement date that are expected to have a significant effect on the Police Jury's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total (Net)
Differences Between Expected and Actual Experience	\$ ----	\$ (87,222)	\$ (87,222)
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments	----	(365,224)	(365,224)
Changes of Assumptions	136,075	----	136,075
Changes in Proportion	1,306	(8,247)	(6,941)
Employer Contributions Made After the Measurement Date	166,976	----	166,976
Total Deferrals	304,357	(460,693)	(156,336)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	(166,976)	----	(166,976)
Deferrals Subject to Amortization	<u>\$ 137,381</u>	<u>\$ (460,693)</u>	<u>\$ (323,312)</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
December 31, 2020	\$ (72,733)
December 31, 2021	(93,077)
December 31, 2022	6,930
December 31, 2023	<u>(164,432)</u>
Total	<u>\$ (323,312)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.50% (Net of Investment Expense)
Projected Salary Increases	4.75%
Expected Remaining Service Lives	4 Years
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.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

Inflation Rate 2.40%

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

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan A members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined 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 Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan A 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.

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:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

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%
Total	100%	5.18%
 Inflation		 2.00%
Expected Arithmetic Nominal Return		7.18%

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease 5.50% Discount Rate	Current Discount Rate 6.50%	1% Increase 7.50 % Discount
Net Pension (Asset) Liability	\$ 1,053,056	\$ 9,743	\$ 864,533

Registrar of Voters Retirement

Plan Description - Any member hired prior to January 1, 2013 is eligible for normal retirement after 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.

Final-average salary is the employee's average salary over the 60 consecutive of joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by State statute.

Funding Policy - Employees are required to contribute 7% of their salaries to the System. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The current rate is 18.00% of annual covered payroll. The contribution requirements of the plan members and the Police Jury are established and may be amended by state statute. Contributions to the retirement system for the year ended December 31, 2020 and each of the two preceding years have been consistent with the required amounts.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

Financial Summary - The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details the System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained at larovers.com.

The Plan's net pension liability was determined at June 30, 2020 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 21,542,828
Police Jury's Proportionate Share (Percentage)	0.103877
Police Jury's Proportionate Share (Amount)	<u>\$ 22,378</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of the Plan's net pension liability during the measurement period ending June 30, 2020 are provided as follows:

Beginning Net Pension Liability	\$ 19,157
Employer Contributions	(2,547)
<u>Pension Expense</u>	
Plan Pension Expense	4,653
Employee Contributions	<u>(3,292)</u>
Change in Deferred Outflows of Resources	2,076
Change in Deferred Inflows of Resources	<u>2,331</u>
Ending Net Pension Liability	<u>\$ 22,378</u>

There were no changes between December 31, 2020 and the Plan's measurement date that are expected to have a significant effect on the Police Jury's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total (Net)
Differences Between Expected and Actual Experience	\$ ----	\$ (3,612)	\$ (3,612)
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments	598	----	598
Changes of Assumptions	4,126	----	4,126
Changes in Proportion	398	(118)	280
Employer Contributions Made After the Measurement Date	<u>1,266</u>	----	<u>1,266</u>
Total Deferrals	6,388	(3,730)	2,658
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(1,266)</u>	----	<u>(1,266)</u>
Deferrals Subject to Amortization	<u>\$ 5,122</u>	<u>\$ (3,730)</u>	<u>\$ 1,392</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

<u>For the Year Ending:</u>	
June 30, 2021	\$ (492)
June 30, 2022	608
June 30, 2023	265
June 30, 2024	<u>1,011</u>
Total	<u>\$ 1,392</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40% (Net of Investment Expense)
Projected Salary Increases	5.25%
Inflation Rate	2.30%
Expected Remaining Service Lives	2020-5 Years 2019-5 Years 2018-5 Years 2017-5 Years 2016-5 Years
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.
Mortality	RP-2000 Healthy Mortality Table for active members, healthy annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2014 through June 30, 2019. 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. The mortality tables selected were set forward or set back to approximate mortality improvement.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.75% for the year ended June 30, 2020.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Domestic Equities	37.5%	2.81%
International Equities	20.0%	1.70%
Domestic Fixed Income	12.5%	0.31%
International Fixed Income	10.0%	0.35%
Alternative Investments	10.0%	0.63%
Real Estate	10.0%	0.45%
Total	100%	6.25%
Inflation		2.50%
Expected Arithmetic Nominal Return		8.75%

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease 5.40% Discount Rate	Current Discount Rate 6.40%	1% Increase 7.40 % Discount Rate
Net Pension Liability	\$ 36,750	\$ 22,378	\$ 10,130

District Attorney's Retirement System of Louisiana

Plan Description – All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorney's Association, except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits.

The length of credible service required for retirement at various ages varies depending on when members joined the system. Generally, members meeting these requirements are entitled to a retirement benefit payable monthly for life, equal to three percent of their final-average salary for each year of creditable service. Members who terminate with at least the amount of creditable service, and who do not withdraw their contributions, may retire at specified ages and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute. Benefits may not exceed 100% of average final compensation.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such refund cancels all accrued rights in the System.

Funding Policy - Plan members are required by state statute to contribute 8 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 4.0%. The contribution requirements of plan members and the Police Jury is established and may be amended by state

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the plan were equal to the required contributions for the year.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at ladars.org.

The plans net pension liability was determined at June 30, 2020 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$	79,227,247
Parish's Proportionate Share (Percentage)		<u>0.300072</u>
Parish's Proportionate Share (Amount)	\$	<u>237,739</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2020 are provided as follows:

Beginning Net Pension Liability		\$	101,855
Employer Contributions			(7,480)
<u>Pension Expense</u>			
Proportionate Share of Plan Pension Expense	71,214		
Employee Contributions	<u>(29,696)</u>		41,518
Change in Deferred Outflows of Resources			92,594
Change in Deferred Inflows of Resources			<u>9,252</u>
Ending Net Pension Liability		\$	<u>237,739</u>

There were no changes between December 31, 2020 and the Plan's measurement date that are expected to have a significant effect on the Police Jury's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences Between Expected and Actual Experience	\$ 11,325	\$ (22,696)	\$ (11,371)
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	38,542	----	38,542
Changes of Assumptions	106,729	----	106,729
Changes in Proportion	3,283	(3,612)	(329)
Employer Contributions Made After the Measurement Date	----	----	----
Total Deferrals	159,879	(26,308)	133,571
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	----	----	----
Deferrals Subject to Amortization	<u>\$ 159,879</u>	<u>\$ (26,308)</u>	<u>\$ 133,571</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
June 30, 2021	\$ 29,164
June 30, 2022	30,662
June 30, 2023	36,433
June 30, 2024	21,021
June 30, 2025	16,291
Total	<u>\$ 133,571</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.25% net of investment expense, including inflation
Expected Remaining Service Lives	6 Years
Projected Salary Increases Including Inflation and Merit	5.00% (2.30% Inflation, 2.70% Merit)
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.

Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.

The discount rate used to measure the total pension liability was 6.25%. 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 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 on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2014 through June 30, 2019. 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.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting expected long-term rate of return is 8.50% for the year ended June 30, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Rates of Return</u>	
		<u>Real</u>	<u>Nominal</u>
Equities	48.27%	5.54%	
Fixed Income	24.54%	1.09%	
Alternatives	26.77%	1.87%	
Cash	0.42%	0.00%	
Total	100.00%		
			6.11%
Inflation			2.39%
Expected Arithmetic Nominal Return			8.50%

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	<u>1% Decrease 5.25% Discount Rate</u>	<u>Current Discount Rate 6.25%</u>	<u>1% Increase 7.25 % Discount</u>
Net Pension Liability	\$ 434,276	\$ 237,739	\$ 73,050

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS:

Details regarding other post employment benefits that the Police Jury provides for its workforce are provided as follows:

Plan Description

The Police Jury's established policies and procedures include providing certain healthcare benefits for retirees. This policy amounts to a single-employer defined benefit healthcare plan (the Plan) administered by the Police Jury. The Plan provides medical benefits through the Police Jury's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees hired prior to January 1, 1993 upon actual retirement. The Plan does not issue a publicly available financial report. Plan participants are typically eligible for healthcare benefits when they become eligible for benefits from the Parochial Employees Retirement System of Louisiana.

Employees do not contribute to their post employment benefit costs until they become retirees and begin receiving those benefits. Until January 1, 2009, the Police Jury recognized the cost of providing post-employment medical benefits (the Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For the year ended December 31, 2020, the Police Jury's portion of health care funding cost for retired employees totaled approximately \$77,458.

Effective with the year beginning January 1, 2009, the Police Jury implemented Government Accounting Standards for Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions. Due to the limited number of current employees and retirees eligible for the Post Employment Benefits, the Police Jury has determined that the Annual Required Contribution approximates premiums paid for retirees. Therefore, no post employment obligation has been recorded.

NOTE 10 – CAPITAL ASSETS:

Changes in governmental and business-type capital assets are presented as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Non-Depreciable Capital Assets				
Construction in Process	\$ 45,225	\$ 556,563	\$ (45,225)	\$ 556,563
Land	203,250	----	----	203,250
Total	<u>248,475</u>	<u>556,563</u>	<u>(45,225)</u>	<u>759,813</u>
Depreciable Capital Assets				
Buildings and Improvements	3,051,302	----	----	3,051,302
Furniture, Fixtures and Equipment	3,329,261	----	----	3,329,261
Infrastructure	4,560,705	747,996	----	5,308,701
Solid Waste Station	209,647	----	----	209,647
Accumulated Depreciation	(5,778,651)	(493,703)	----	(6,272,354)
Total	<u>5,372,264</u>	<u>254,293</u>	<u>----</u>	<u>5,626,557</u>
Total Governmental Activities	<u>\$ 5,620,739</u>	<u>\$ 810,856</u>	<u>\$ (45,225)</u>	<u>\$ 6,386,370</u>
 <u>Business-Type Activities</u>				
Non-Depreciable Capital Assets				
Construction in Process	\$ 20,000	\$ ----	\$ (20,000)	\$ ----
Depreciable Capital Assets				
Distribution System	1,245,902	20,000	----	1,265,902
Buildings	7,253	----	----	7,253
Equipment	298,366	----	----	298,366
Accumulated Depreciation	(1,334,320)	(21,714)	----	(1,356,034)
Total	<u>217,201</u>	<u>(1,714)</u>	<u>----</u>	<u>215,487</u>
Total Business-Type Activities	<u>\$ 237,201</u>	<u>\$ (1,714)</u>	<u>\$ (20,000)</u>	<u>\$ 215,487</u>

Depreciation expense charged to various functions presented on the statement of activities is presented as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Public Safety	\$ ----	\$ ----	\$ ----
Road Maintenance	212,066	----	212,066
Landfill Maintenance	232,256	----	232,256
Other General Government	19,953	----	19,953
Finance & Administration	5,376	----	5,376
Health & Welfare	24,052	----	24,052
Utility System	----	21,714	21,714
Total Depreciation Expense	<u>\$ 493,703</u>	<u>\$ 21,714</u>	<u>\$ 515,417</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

NOTE 11 – ACCOUNTS AND OTHER PAYABLES:

Details related to amounts reported as accounts and other payables are provided as follows:

	Payable to Vendors	Payroll Liabilities	Total Payables
<u>Governmental Activities</u>			
General Fund	\$ 129,486	\$ 39,569	\$ 169,055
Road Fund	8,592	----	8,592
Sales Tax Fund	69,397	----	69,397
Courthouse and Jail	6,477	----	6,477
South Grant Sewer System	255,689	----	255,689
Non-Major Funds	84,243	----	84,243
Total Governmental Activities	<u>\$ 553,884</u>	<u>\$ 39,569</u>	<u>\$ 593,453</u>
<u>Business-Type Activities</u>			
Utility System	<u>\$ 27,459</u>	<u>\$ ----</u>	<u>\$ 27,459</u>

Contributions that were legally required to be paid to defined benefit pension plans are \$32,594.

NOTE 12 - CONTINGENCIES:

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at December 31, 2020, are described as follows:

Unemployment Claims

The Police Jury managed the local Head Start Program until December 31, 2006 when the program was transferred to a successor. In connection with the Police Jury's tenure as the Head Start sponsor, the Department of Labor is seeking to collect \$166,870 in unemployment claims, plus any accrued interest and penalties. At the present time, the Police Jury has \$74,993 in remaining Head Start Funds that are available to pay unemployment claims. At the present time, outstanding claims exceed available resources by \$91,877. Management is currently seeking resolution that will provide funds from the successor or its funding source to resolve the remaining claims.

Litigation

As the governing authority for Grant Parish, the Police Jury has numerous responsibilities. These responsibilities include maintaining roads and other public facilities as well as disposing of solid waste on a Parishwide basis. Due to the extensive nature of the Police Jury's responsibilities, it is sometimes the target of litigation.

A variety of lawsuits involving the Police Jury are currently pending; however, due to an absence of recent activity, at least some of these cases appear to be dormant. An estimate of potential losses from litigation is not currently available and no provision for losses of this nature is included in the accompanying financial statements. In addition, there is no general liability insurance to offset judgments that might arise from lawsuits currently pending.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

Judgments Payable

At December 31, 2020, five judgments totaling \$770,320 have been rendered against the Police Jury. These judgments are final and irreversible. Judgments payable do not include deposition costs, expert witness fees, court costs or legal interest from date of judicial demand, which were also assessed.

The Police Jury did not have general liability insurance to cover the amounts of judgments awarded to plaintiffs in lawsuits brought against the Police Jury. Consequently, the \$770,320 in judgments payable at December 31, 2020, plus all related costs and interest from date of judicial demand are the Police Jury's sole responsibility. However, since the beneficiaries of the judgments cannot require the Police Jury to appropriate funds to pay the judgments, no liability has been accrued in connection with the judgments.

NOTE 13 - RISK MANAGEMENT:

The Police Jury is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has not maintained general liability coverage to insure against torts. Judgments resulting from these uninsured risks are disclosed when it is probable that a loss has occurred and the amount can be reasonably estimated. Judgments currently payable attributable to the uninsured risk totaled \$770,320.

The Police Jury insures against the remaining risks by participation in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 14 – LEASES

During the year ended December 31, 2020, the Parish had four ongoing operating leases necessary for the maintenance of the Parish road system. These leases have monthly payments of \$1,681. The lease terms are 60 months ending during 2022. Each unit may be purchased for the fair market value of the unit at the end of the lease term. The future minimum lease payments are as follows:

	<u>Future minimum lease payments</u>
<u>Year Ended December 31st</u>	
2021	\$ 80,688
2022	33,620
Total	<u>\$ 114,308</u>

For the year ended December 31, 2020, rental expenditures for equipment totaled \$80,710.

NOTE 15 – DEFICIT FUND BALANCE

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

NOTE 16 – BUDGETARY COMPARISON

Individual funds presented in the budgetary comparison with an excess of expenditures over appropriations are Sales Tax Fund and Courthouse and Jail Fund.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2020

NOTE 17 – PRIOR PERIOD ADJUSTMENT

Prior period adjustments were necessary to correct various components of beginning net position and fund balance. The nature of each prior period adjustment is presented as follows:

The effect of restatement on beginning net position for the government wide presentation is presented as follows:

	<u>Total Governmental</u>	<u>Total Business-Type</u>	<u>Total Government</u>
Prior Period Adjustment	\$ (17,997)	\$ 1,873	\$ (16,124)
Beginning Net Position – As Originally Reported	<u>8,666,799</u>	<u>636,910</u>	<u>9,303,709</u>
Beginning Net Position – As Restated	<u>\$ 8,648,802</u>	<u>\$ 638,783</u>	<u>\$ 9,287,585</u>

The effect of restatement on beginning Fund Balances for governmental funds is presented as follows:

	<u>South Grant Sewer</u>
Prior Period Adjustment	\$ (17,997)
Beginning Fund Balance – As Originally Reported	<u>17,997</u>
Beginning Fund Balance – As Restated	<u>\$ ----</u>

The effect of restatement on beginning net position for business-type funds is presented as follows:

	<u>Nonmajor Funds</u>
Prior Period Adjustment	\$ 1,873
Beginning Net Position – As Originally Reported	<u>23,351</u>
Beginning Net Position – As Restated	<u>\$ 25,224</u>

It was not practical to determine the effect of the restatement on changes in net position and changes in fund balances for the preceding period.

Grant Parish Police Jury

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Year Ended December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes:				
Ad Valorem	\$ 245,000	\$ 242,245	\$ 252,162	\$ 9,917
Other	67,000	67,447	64,806	(2,641)
Federal Funds	196,000	180,323	196,365	16,042
State Funds:				
State Revenue Sharing	21,000	20,834	20,776	(58)
Severance Taxes	627,000	636,341	367,733	(268,608)
Other State Funds	13,000	13,000	12,688	(312)
Local Funds	94,000	95,446	58,097	(37,349)
Fees and Charges for Service	-	-	88,904	88,904
Fines and Forfeitures	37,000	51,987	50,897	(1,090)
Rental of Properties	14,000	5,450	6,190	740
Other	110,000	388,323	16,571	(371,752)
Total Revenues	<u>1,424,000</u>	<u>1,701,396</u>	<u>1,135,189</u>	<u>(566,207)</u>
Expenditures:				
Current:				
General Government				
Legislative	228,000	225,906	227,987	(2,081)
Judicial	292,000	302,110	310,739	(8,629)
Finance & Administrative	293,000	397,576	291,050	106,526
Other General Government	40,000	47,429	65,169	(17,740)
Public Safety	295,000	255,881	322,390	(66,509)
Public Works				
Other Public Works	-	-	352	(352)
Culture & Recreation	12,000	9,920	11,825	(1,905)
Economic Development Assistance	13,000	24,531	-	24,531
Total Expenditures	<u>1,173,000</u>	<u>1,263,353</u>	<u>1,229,512</u>	<u>33,841</u>
Excess (Deficiency) of Revenues Over Expenditures	251,000	438,043	(94,323)	(532,366)
Other Financing Sources (Uses):				
Operating Transfers In (Out)	(98,000)	(127,851)	(38,562)	89,289
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	153,000	310,192	(132,885)	(443,077)
Fund Balance (Deficit) - Beginning of Year	<u>1,040,381</u>	<u>967,935</u>	<u>967,935</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 1,193,381</u>	<u>\$ 1,278,127</u>	<u>\$ 835,050</u>	<u>\$ (443,077)</u>

Grant Parish Police Jury

Major Special Revenue Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>ROAD FUND:</u>				
Revenues and Other Sources	\$ 1,331,000	\$ 1,425,410	\$ 1,422,351	\$ (3,059)
Expenditures and Other Uses	<u>1,396,000</u>	<u>1,395,500</u>	<u>1,264,871</u>	<u>130,629</u>
Excess (Deficiency) of Revenues Over Expenditures	(65,000)	29,910	157,480	127,570
Fund Balance (Deficit) - Beginning of Year	<u>1,167,308</u>	<u>995,601</u>	<u>995,601</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 1,102,308</u>	<u>\$ 1,025,511</u>	<u>\$ 1,153,081</u>	<u>\$ 127,570</u>
<u>Sales Tax Fund</u>				
Revenues and Other Sources	\$ 1,574,000	\$ 1,578,002	\$ 1,733,149	\$ 155,147
Expenditures and Other Uses	<u>1,397,000</u>	<u>1,549,450</u>	<u>1,634,561</u>	<u>(85,111)</u>
Excess (Deficiency) of Revenues Over Expenditures	177,000	28,552	98,588	70,036
Fund Balance (Deficit) - Beginning of Year	<u>1,102,249</u>	<u>1,085,627</u>	<u>890,274</u>	<u>(195,353)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 1,279,249</u>	<u>\$ 1,114,179</u>	<u>\$ 988,862</u>	<u>\$ (125,317)</u>
<u>Courthouse and Jail</u>				
Revenues and Other Sources	\$ 192,000	\$ 198,224	\$ 205,578	\$ 7,354
Expenditures and Other Uses	<u>140,000</u>	<u>143,156</u>	<u>145,550</u>	<u>(2,394)</u>
Excess (Deficiency) of Revenues Over Expenditures	52,000	55,068	60,028	4,960
Fund Balance (Deficit) - Beginning of Year	<u>148,808</u>	<u>126,486</u>	<u>126,486</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 200,808</u>	<u>\$ 181,554</u>	<u>\$ 186,514</u>	<u>\$ 4,960</u>

Grant Parish Police Jury

Schedule of Net Pension Liability Data **Cost Sharing Retirement Systems**

Retirement System / Measurement Date	Share of Collective Net Pension (Asset) Liability		Covered Payroll	Net Pension (Asset) Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension (Asset) Liability
	Percent	Amount			
Parochial Employees Retirement System					
December 31, 2014	0.23%	63,031	1,299,563	4.9%	99.1%
December 31, 2015	0.23%	594,544	1,304,269	45.6%	92.2%
December 31, 2016	0.22%	445,734	1,289,100	34.6%	94.1%
December 31, 2017	0.21%	(154,840)	1,285,528	-12.0%	102.0%
December 31, 2018	0.21%	948,349	1,282,313	74.0%	88.9%
December 31, 2019	0.21%	9,743	1,313,557	0.7%	99.9%
Registrar of Voters Retirement System					
June 30, 2015	0.10%	25,402	14,140	179.6%	76.9%
June 30, 2016	0.10%	29,067	14,151	205.4%	73.9%
June 30, 2017	0.10%	22,551	14,150	159.4%	80.5%
June 30, 2018	0.10%	23,938	14,106	169.7%	80.6%
June 30, 2019	0.10%	19,157	14,159	135.3%	84.8%
June 30, 2020	0.10%	22,378	14,150	158.1%	83.3%
District Attorneys Retirement System					
June 30, 2015	0.28%	15,342	334,400	4.6%	98.5%
June 30, 2016	0.29%	55,868	88,643	63.0%	95.1%
June 30, 2017	0.30%	79,953	-	0.0%	93.6%
June 30, 2018	0.29%	94,009	-	0.0%	92.9%
June 30, 2019	0.32%	101,855	196,480	51.8%	93.1%
June 30, 2020	0.30%	237,739	187,000	127.1%	84.9%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Grant Parish Police Jury

Schedule of Employer Contributions **Cost Sharing Retirement Systems**

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Parochial Employees Retirement System					
December 31, 2014	207,930	207,930	-	1,299,563	16.00%
December 31, 2015	189,119	189,119	-	1,304,269	14.50%
December 31, 2016	167,583	167,583	-	1,289,100	13.00%
December 31, 2017	160,691	160,691	-	1,285,528	12.50%
December 31, 2018	147,466	147,466	-	1,282,313	11.50%
December 31, 2019	151,059	151,059	-	1,313,557	11.50%
Registrar of Voters Retirement System					
June 30, 2015	3,429	3,429	-	14,140	24.25%
June 30, 2016	3,184	3,184	-	14,151	22.50%
June 30, 2017	2,830	2,830	-	14,150	20.00%
June 30, 2018	2,398	2,398	-	14,106	17.00%
June 30, 2019	2,407	2,407	-	14,159	17.00%
June 30, 2020	2,547	2,547	-	14,150	18.00%
District Attorneys Retirement System					
June 30, 2015	11,704	11,704	-	334,400	3.50%
June 30, 2016	6,205	6,205	-	88,643	7.00%
June 30, 2017	-	-	-	-	0.00%
June 30, 2018	-	-	-	-	0.00%
June 30, 2019	2,456	2,456	-	196,480	1.25%
June 30, 2020	7,480	7,480	-	187,000	4.00%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Grant Parish Police Jury

**Combining Balance Sheet
Non Major Governmental Funds
December 31, 2020**

	Maintenance Funds	Medical Clinic	Head Start	Litter Fines	Criminal Court	Insurance Premium Tax	Supoena Witness	Aloha Rigolette	Compensation of Criminal Juries	Grant Parish Range	Total Non Major Funds
Assets											
Cash and Cash Equivalents	\$ 578,229	\$ 51,987	\$ 74,993	\$ 1,183	\$ 10,599	\$ 262,774	\$ 57,162	\$ 1,840	\$ 7,066	\$ 30,000	\$ 1,075,833
Receivables (net)	175,973	-	-	-	8,780	-	538	5,800	-	-	191,091
Interfund Receivables	-	-	-	-	-	-	-	5,000	-	-	5,000
Total assets	\$ 754,202	\$ 51,987	\$ 74,993	\$ 1,183	\$ 19,379	\$ 262,774	\$ 57,700	\$ 12,640	\$ 7,066	\$ 30,000	\$ 1,271,924
Liabilities and Fund Balance											
Liabilities											
Accounts payable	\$ 3,155	\$ -	\$ 74,993	\$ 443	\$ 5,002	\$ -	\$ 650	\$ -	\$ -	\$ -	\$ 84,243
Interfund Payables	30,819	-	-	-	45,900	-	-	-	-	-	76,719
Total liabilities	33,974	-	74,993	443	50,902	-	650	-	-	-	160,962
Fund Balance											
Restricted for:											
Maintenance	720,228	-	-	-	-	-	-	-	-	-	720,228
Judicial	-	-	-	-	-	-	57,050	-	7,066	-	64,116
Construction	-	51,987	-	-	-	-	-	-	-	-	51,987
Committed to:											
Maintenance	-	-	-	-	-	-	-	12,640	-	30,000	42,640
Construction	-	-	-	-	-	-	-	-	-	-	-
Litter Abatement	-	-	-	740	-	-	-	-	-	-	740
General Purposes	-	-	-	-	-	262,774	-	-	-	-	262,774
Unassigned	-	-	-	-	(31,523)	-	-	-	-	-	(31,523)
Total Fund Balances	720,228	51,987	-	740	(31,523)	262,774	57,050	12,640	7,066	30,000	1,110,962
Total Liabilities and Fund Balance											
Balance	\$ 754,202	\$ 51,987	\$ 74,993	\$ 1,183	\$ 19,379	\$ 262,774	\$ 57,700	\$ 12,640	\$ 7,066	\$ 30,000	\$ 1,271,924

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Non Major Governmental Funds - Year Ended December 31, 2020

	Maintenance Funds	Medical Clinic	Head Start	Litter Fines	Criminal Court	Insurance Premium Tax	Supoena Witness	Aloha Rigolette	Compensation of Criminal Juries	Grant Parish Range	Other Governmental Funds
Revenues:											
Taxes:											
Ad Valorem	\$ 170,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,322
Other	-	-	-	-	-	138,169	-	-	-	-	138,169
Federal Funds	-	-	-	-	-	-	-	-	-	-	-
State Funds:											
State Revenue Sharing	9,574	-	-	-	-	-	-	-	-	-	9,574
Facility Planning and Control	-	-	-	-	-	-	-	-	-	-	-
Local Funds	-	-	-	-	65,504	-	-	3,200	-	-	68,704
Fines and Forfeitures	-	-	-	-	130,070	-	8,236	-	1,801	-	140,107
Rental of Properties	12,602	-	-	-	-	-	-	-	-	-	12,602
Other	1,500	52	-	-	11	358	55	-	-	-	1,976
Total Revenues	<u>193,998</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>195,585</u>	<u>138,527</u>	<u>8,291</u>	<u>3,200</u>	<u>1,801</u>	<u>-</u>	<u>541,454</u>
Expenditures:											
Current:											
General Government											
Judicial	-	-	-	-	292,252	-	3,700	-	-	-	295,952
Other General Government	-	-	-	-	-	-	-	-	-	-	-
Public Works											
Other	-	-	-	-	-	-	-	9,600	-	-	9,600
Health & Welfare	95,930	-	-	-	-	-	-	-	-	-	95,930
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>95,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,252</u>	<u>-</u>	<u>3,700</u>	<u>9,600</u>	<u>-</u>	<u>-</u>	<u>401,482</u>
Excess (Deficiency) of Revenues Over Expenditures	98,068	52	-	-	(96,667)	138,527	4,591	(6,400)	1,801	-	139,972
Other Financing Sources (Uses):											
Operating Transfers In (Out)	11,961	-	-	-	104,081	(150,000)	-	5,000	-	30,000	1,042
Total other financing sources (uses)	<u>11,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,081</u>	<u>(150,000)</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>30,000</u>	<u>1,042</u>
Net Change in Fund Balance	110,029	52	-	-	7,414	(11,473)	4,591	(1,400)	1,801	30,000	141,014
Fund Balance (Deficit) - Beginning of Year	610,199	51,935	-	740	(38,937)	274,247	52,459	14,040	5,265	-	969,948
Fund Balance (Deficit) - End of Year	<u>\$ 720,228</u>	<u>\$ 51,987</u>	<u>\$ -</u>	<u>\$ 740</u>	<u>\$ (31,523)</u>	<u>\$ 262,774</u>	<u>\$ 57,050</u>	<u>\$ 12,640</u>	<u>\$ 7,066</u>	<u>\$ 30,000</u>	<u>\$ 1,110,962</u>

Grant Parish Police Jury

Combining Balance Sheet Non Major Maintenance Funds December 31, 2020

	<u>Health Unit Maintenance</u>	<u>Medical Clinic Maintenance</u>	<u>Total Maintenance Funds</u>
Assets			
Cash and Cash Equivalents	\$ 247,603	\$ 330,626	\$ 578,229
Receivables (net)	<u>122,142</u>	<u>53,831</u>	<u>175,973</u>
Total assets	<u>\$ 369,745</u>	<u>\$ 384,457</u>	<u>\$ 754,202</u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Accounts payable	\$ 2,313	\$ 842	\$ 3,155
Interfund Payables	<u>30,819</u>	<u>-</u>	<u>30,819</u>
Total liabilities	<u>33,132</u>	<u>842</u>	<u>33,974</u>
<u>Fund Balance</u>			
Restricted for:			
Maintenance	<u>336,613</u>	<u>383,615</u>	<u>720,228</u>
Total Fund Balances	<u>336,613</u>	<u>383,615</u>	<u>720,228</u>
Total Liabilities and Fund Balance	<u>\$ 369,745</u>	<u>\$ 384,457</u>	<u>\$ 754,202</u>

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Maintenance Funds - Year Ended December 31, 2020

	<u>Health Unit Maintenance</u>	<u>Medical Clinic Maintenance</u>	<u>Total Maintenance Funds</u>
<u>Revenues:</u>			
Taxes:			
Ad Valorem	\$ 116,205	\$ 54,117	\$ 170,322
State Funds:			
State Revenue Sharing	9,574	-	9,574
Rental of Properties	-	12,602	12,602
Other	<u>1,173</u>	<u>327</u>	<u>1,500</u>
Total Revenues	<u>126,952</u>	<u>67,046</u>	<u>193,998</u>
<u>Expenditures:</u>			
Current:			
Health & Welfare	83,403	12,527	95,930
Capital Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>83,403</u>	<u>12,527</u>	<u>95,930</u>
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In (Out)	<u>11,961</u>	<u>-</u>	<u>11,961</u>
Total other financing sources (uses)	<u>11,961</u>	<u>-</u>	<u>11,961</u>
Excess (Deficiency) of Revenues Over Expenditures	55,510	54,519	110,029
Fund Balance (Deficit) - Beginning of Year	<u>281,103</u>	<u>329,096</u>	<u>610,199</u>
Fund Balance (Deficit) - End of Year	<u>\$ 336,613</u>	<u>\$ 383,615</u>	<u>\$ 720,228</u>

Grant Parish Police Jury

Schedule of Expenditures of Federal Awards For the year ended December 31, 2020

<u>Federal Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture		
Direct Program - Schools and Roads - Title II Funds		\$ 254,243
Pass-through State of Louisiana, Department of the Treasury Schools and Roads		<u>257,893</u>
Total - Schools and Roads	10.665	512,136
Department of Housing and Urban Development		
Pass-through State of Louisiana, Division of Administration Community Development Block Grant	14.228	660,571
Department of Homeland Security		
Pass-through State of Louisiana, Division of Administration Hazard Mitigation Grant	97.039	32,501
Department of the Interior		
Direct Program - Payment in Lieu of Taxes	15.226	165,323
Direct Program - Coastal	15.630	<u>8,200</u>
Total Department of the Interior		173,523
Department of the Treasury		
Pass-through State of Louisiana, Division of Administration Coronavirus Relief Fund	21.019	31,042
Delta Regional Authority		
Passed through Kisatchie-Delta Regional Planning and Development District, Inc.	90.201	<u>178,757</u>
Total Expenditure of Federal Awards		<u>\$ 1,588,530</u>

Note

The schedule of expenditures of federal awards was prepared in conformity with generally accepted accounting principles. See Note 1 of the accompanying financial statements for further details. Furthermore, the Grant Parish Police Jury has not used the 10% de minimus indirect cost rate.

Grant Parish Police Jury

Schedule of Compensation Paid to Police Jurors For the Year Ended December 31, 2020

Donald Arnold	\$ 14,400
Mark Ball	13,935
Cephas Bowie	14,400
Britton Carroll	465
Brandon Dubois	14,400
Johnny Jamison	13,935
Carl Ray Lasyone	465
David Merrell	14,400
Arnold Murrell	14,400
Winston Roberts	<u>14,400</u>
Total	<u>\$ 115,200</u>

Grant Parish Police Jury

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

Agency Head (President) - Donald Arnold

Purpose	
Compensation	\$ 14,400
Benefits	155
Reimbursements	-

Grant Parish Police Jury

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session -

Cash Basis Presentation

For the Year Ended December 31, 2020

	First Six Month Period Ended June 30, 2020	Second Six Month Period Ended December 31, 2020
Receipts From:		
Grant Parish Sheriff's Office - Criminal Court Fines/Court Cost	\$ <u>68,071</u>	\$ <u>58,042</u>
Subtotal Receipts	\$ <u>68,071</u>	\$ <u>58,042</u>



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Grant Parish Police Jury
Colfax, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Grant Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2020. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Police Jury's compliance.

Opinion on Each Major Federal Program

In our opinion, the Police Jury, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Police Jury, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit



1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

Grant Parish Police Jury
June 24, 2021

of compliance, we considered the Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Rozier, McKay & Willis
Alexandria, Louisiana
June 24, 2021

Grant Parish Police Jury

Schedule of Findings and Questioned Cost For the Year Ended December 31, 2020

PART I – Summary of Auditor’s Results:

- The Independent Auditors’ Report on the financial statements for the Grant Parish Police Jury as of December 31, 2020 and for the year then ended expressed opinions as follows:

Opinion Unit:	Type of Opinion:
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Each Major Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

- Instances of deficiencies in internal control are summarized in Part II appearing below.
- Instances of noncompliance material to the financial statements are summarized in Part II appearing below.
- No control deficiencies involving major federal award programs were disclosed during the audit. Accordingly, there were no material weaknesses applicable to major federal award programs.
- The Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance Required by Uniform Guidance, expressed an unmodified opinion on compliance for major programs.
- The audit did not disclose any audit findings which are required to be reported as findings and questioned cost.
- Major programs for the year ended December 31, 2020 are presented as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CFDA No. 14.228 – Community Development Block Grants

- A threshold of \$750,000 was used for distinguishing between Type A and Type B programs for purposes of identifying major programs.
- The Grant Parish Police Jury was considered to be a not low risk auditee as defined by the Uniform Guidance.

PART II – Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

Finding 2020-001 – Budget Violation

- Criteria: The Louisiana Government Budget Act requires actual revenues and other sources to be no less than 5% of budgeted amounts.
- Condition: The General Fund’s revenues had variances outside of the 5% range required by State Law and the Road Fund’s expenditures had variances outside of the 5% range required by State Law.
- Effect: The Police Jury was not in compliance with the Louisiana Government Budget Act.
- Cause: Though the budget was properly amended, actual General Fund Severance Tax revenues were less than budgeted and actual Sales Tax Fund expenditures were greater than budgeted.

Grant Parish Police Jury

Schedule of Findings and Questioned Cost For the Year Ended December 31, 2020

- *Recommendation:* The Police Jury should implement policies and procedures to ensure that the budget is amended whenever variances exceed amounts allowed by the Louisiana Government Budget Act.

Finding 2020-002 – Utility Billing Rates

- *Criteria:* Rates for natural gas billings should be calculated monthly based on the purchase price of natural gas.
- *Condition:* Billing rates charged to customers were not updated for five months in the current year.
- *Effect:* When the proper rate is not charged to natural gas customers, the Gas Utility District could be overcharging or undercharging customers.
- *Cause:* The employees of the Gas Utility District did not perform the procedures in place to calculate the monthly billing rates necessary to properly bill natural gas customers.
- *Recommendation:* We suggest that management diligently monitor the monthly calculations to ensure that the proper rates are being charged to customers.

Finding 2020-003 – Record Retention

- *Criteria:* Louisiana Revised Statutes requires governmental entities to retain public records and requires persons and public bodies having control or custody of any public record to exercise diligence and care in preserving the public record for a certain period of time.
- *Condition:* Two former employees of the Grant Parish Police Jury Gas Utility District removed or deleted records from the Gas Utility District Offices upon their termination.
- *Effect:* These records were necessary to effectively operate the Gas Utility District. The Police Jury was able to duplicate the records necessary to properly operate the Gas Utility District and bill customers.
- *Cause:* The employees of the Gas District did not follow the Grant Parish Police Jury Policies and procedures as well as State Law that required all public information to remain with the Office upon employee termination. In addition, the Police Jury did not have adequate offsite backup systems in place to prevent data loss.
- *Recommendation:* We recommend that the Police Jury retain all records in accordance with Police Jury policy and Louisiana Law. In addition, we recommend that the Police Jury implement an offsite backup system to prevent future information loss.

PART III – Findings and Questioned Costs for Federal Awards Which Shall Include Audit Findings as Defined by the Uniform Guidance:

None

Grant Parish Police Jury

Management's Corrective Action Plan

For the Year Ended December 31, 2020

<p><u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</p>	
<p><u>Finding 2020-001 – Budget Violation</u> Louisiana Revised Statutes require local governments to amend the budget of anticipated revenues and expenditures when actual revenues and expenditures exceed an unfavorable variance by more than 5%. The General Fund’s revenues had variances outside of the 5% range required by State Law and the Road Fund’s expenditures had variances outside of the 5% range required by State Law. We suggest carefully monitoring revenues and expenditures and amending the budget accordingly when anticipated revenues and expenditures are outside the ranges required by State Law.</p> <p><u>Finding 2020-002 – Utility Billing Rates</u> Rates for natural gas billings should be calculated monthly based on the purchase price of natural gas. Billing rates were not updated for five months in the current year. We suggest that management diligently monitor the monthly calculations to ensure that the proper rates are being charged to customers.</p> <p><u>Finding 2020-003 – Record Retention</u> Two former employees of the Grant Parish Police Jury Gas Utility District removed or deleted records from the Gas Utility District Offices upon their termination. Louisiana Law required that all public records be retained and available for inspection for a certain period of time.</p>	<p><u>2020-001 Response:</u> We will closely monitor the revenues and expenditures and amend the budget as required when variances are greater than 5% of actual revenues or expenditures.</p> <p><u>2020-002 Response:</u> We will closely monitor gas billing rates and calculate the rates monthly based on the purchase price of natural gas. In addition, the employees responsible have been terminated.</p> <p><u>2020-003 Response:</u> The Police Jury will ensure that in the future, all records are retained in accordance with Parish policy. In addition, an offsite backup system is now being utilized. The employees that removed the records have been terminated and the matter was turned over to the Grant Parish Sheriff’s Office and District Attorney’s Office.</p>
<p><u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</p>	
<p>There are no matters to report.</p>	<p>Not Applicable</p>
<p><u>SECTION III</u> MANAGEMENT LETTER</p>	
<p>There are no matters to report.</p>	<p>Not Applicable</p>

Grant Parish Police Jury

Summary of Prior Year Findings

For the Year Ended December 31, 2020

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>Finding 2019-001 – Budget Violation</u> Louisiana Revised Statutes require local governments to amend the budget of anticipated revenues and expenditures when actual revenues and expenditures exceed an unfavorable variance by more than 5%. The General Fund’s revenues had variances outside of the 5% range required by State Law and the Road, Sales Tax & Courthouse and Jail Fund’s expenditures had variances outside of the 5% range required by State Law. We suggest carefully monitoring revenues and expenditures and amending the budget accordingly when anticipated revenues and expenditures are outside the ranges required by State Law.	<u>2019-001: Unresolved</u> See Management’s Corrective Action Plan, Finding 2020-001.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
There are no matters to report.	Not Applicable
<u>SECTION III</u> MANAGEMENT LETTER	
There are no matters to report.	Not Applicable