

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

Primary Government Financial Statements
For the Year Ended December 31, 2020

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Lincoln Parish Police Jury
Ruston, Louisiana

Report on the Financial Statements

I have audited the accompanying primary government financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish Police Jury (which is the "Police Jury" as well as "the primary government"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unmodified, qualified, and adverse audit opinions.

Lincoln Parish Police Jury
Ruston, Louisiana

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

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's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Management is unable to determine how this departure from accounting principles generally accepted in the United States of America, affected the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units. Neither can management determine how the assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures of the aggregate remaining fund information would have been affected.

Adverse Opinion on Aggregate Discretely Presented Component Units

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

Qualified Opinion on Aggregate Remaining Fund Information

In my opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate fund information of the Lincoln Parish Police Jury, as of December 31, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Lincoln Parish Police Jury, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plan, Schedule of Changes in Net OPEB Liability and Related Ratios, and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements.

Lincoln Parish Police Jury
Ruston, Louisiana

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Supplementary and Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, 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* (Uniform Guidance), and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, and the schedule of expenditures of federal awards, 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* (Uniform Guidance), is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, 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* (Uniform Guidance), is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lincoln Parish Police Jury
Ruston, Louisiana

I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated September 27, 2021 on my consideration of the Police Jury's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of the 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 Lincoln Parish Police Jury's internal control over financial reporting and compliance.

WILLIAM R. HULSEY, (APAC)
Certified Public Accountant



September 27, 2021

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities
<i>Assets</i>	
Cash	\$ 8,521,427
Investments	23,123,931
Accounts Receivable	7,659,038
Due From Other Entities	2,991,758
Inventory	11,582
Capital Assets:	
Non-Depreciable	3,423,124
Depreciable	20,688,168
Total Assets	66,419,028
 <i>Deferred Outflow of Resources</i>	
Pension Related	818,112
Prepaid Expenses	4,700
Total Deferred Outflow of Resources	822,812
 <i>Liabilities</i>	
Accounts Payable	787,988
Due To Other Entities	430,562
Non-Current Liabilities	
Due Within One Year	
Bonds Payable	421,000
Compensated Absences	112,863
Due in More Than One Year	
Bonds Payable	1,054,682
Net Pension Liability	25,731
Unfunded Postretirement Benefit Plan Obligations	7,800,787
Total Liabilities	10,633,613
 <i>Deferred Inflow of Resources</i>	
Pension Related	1,210,107
 <i>Net Position</i>	
Net Investment in Capital Assets	24,111,292
Restricted For:	
Capital Projects	2,326,298
Debt Service	224,915
Unrestricted	28,735,615
Total Net Position	\$ 55,398,120

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

		Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Function/Program Activities						
Government Activities:						
General Government	\$ 2,285,224	\$ -	\$ 117,958	\$ -	\$ (2,167,266)	
Public Safety	845,929	446,777	5,000	-	(394,152)	
Public Works	9,259,108	250,706	497,072	-	(8,511,330)	
Health & Welfare	693,415	-	593,318	-	(100,097)	
Culture & Recreation	3,368,142	256,753	-	-	(3,111,389)	
Economic Development	27,500	-	-	-	(27,500)	
Interest on Long-Term Debt	158,939	-	-	-	(158,939)	
 Total Governmental Activities	\$ 16,638,257	\$ 954,236	\$ 1,213,348	\$ -	(14,470,673)	

General Revenues:

Taxes:

Property Taxes	7,673,691
Sales Taxes	4,541,797
Other Taxes	7,258
Severance Taxes	168,181
Intergovernmental Revenues	433,394
Fire Insurance Rebate	364,484
Other Revenues	151,041
Rents and Royalties	134,277
Interest Earned	898,920
Total General Revenues	14,373,043

Changes in Net Position (97,630)

Net Position - Beginning 55,495,750

Net Position - Ending \$ 55,398,120

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

FUND FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	<u>General Fund</u>	<u>Road Construction Fund</u>	<u>Road Maintenance Fund</u>	<u>Library Fund</u>
Assets:				
Cash and Cash Equivalents	\$ 560,254	\$ 581,171	\$ 321,583	\$ 5,763
Investments	2,279,770	573,627	1,123,045	2,620,332
Receivables	1,326,462	2,063,268	2,041,206	1,914,321
Prepaid Expenses	4,582	-	118	-
Due From Other Funds	2,132,070	3,341,160	2,036,215	-
Due From Other Entities	2,974,671	98	97	-
Inventory	-	11,582	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 9,277,809	\$ 6,570,906	\$ 5,522,264	\$ 4,540,416
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities and fund equity:				
Liabilities:				
Accounts Payable	375,507	\$ 4,467	\$ 4,468	\$ 21,823
Due To Other Funds	4,861,742	1,884,482	-	1,510,248
Due To Other Entities	421,736	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	5,658,985	1,888,949	4,468	1,532,071
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances:				
Nonspendable	4,582	11,582	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	4,670,375	5,517,796	3,008,345
Unassigned	3,614,242	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Equity	3,618,824	4,681,957	5,517,796	3,008,345
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND EQUITY	\$ 9,277,809	\$ 6,570,906	\$ 5,522,264	\$ 4,540,416
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Solid Waste Disposal Fund	Solid Waste Disposal Equipment Reserve Fund	Hospital Proceeds Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 673,803	\$ 135,700	\$ 468,861	\$ 5,774,292	\$ 8,521,427
-	2,863,189	9,909,186	3,754,782	23,123,931
6,883	-	-	306,898	7,659,038
-	-	-	-	4,700
8,873	-	19,733	4,250,304	11,788,355
1,086	-	-	15,806	2,991,758
-	-	-	-	11,582
<u>\$ 690,645</u>	<u>\$ 2,998,889</u>	<u>\$ 10,397,780</u>	<u>\$ 14,102,082</u>	<u>\$ 54,100,791</u>
\$ 160,234	\$ 58	\$ 3,500	\$ 217,931	\$ 787,988
346,944	-	102,480	3,082,459	11,788,355
479	-	-	8,347	430,562
<u>507,657</u>	<u>58</u>	<u>105,980</u>	<u>3,308,737</u>	<u>13,006,905</u>
-	-	-	-	16,164
-	-	-	461,871	461,871
-	-	-	-	-
182,988	2,998,831	10,291,800	10,331,474	37,001,609
-	-	-	-	3,614,242
<u>182,988</u>	<u>2,998,831</u>	<u>10,291,800</u>	<u>10,793,345</u>	<u>41,093,886</u>
<u>\$ 690,645</u>	<u>\$ 2,998,889</u>	<u>\$ 10,397,780</u>	<u>\$ 14,102,082</u>	<u>\$ 54,100,791</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020

Total Governmental Fund Balances	\$	41,093,886
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		24,111,292
 Pension related items are not reported in the fund financial statements:		
Deferred Outflows		818,112
Deferred Inflows		(1,210,107)
Net Pension Liability		(25,731)
 Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements:		
Compensated absences payable		(112,863)
Bonds payable		(1,475,682)
Net OPEB obligation		(7,800,787)
		(7,800,787)
Net Position of Governmental Activities	\$	55,398,120

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund	Road Construction Fund	Road Maintenance Fund	Library Fund
Revenues:				
Taxes:				
Ad Valorem	\$ 1,271,176	\$ 2,090,729	\$ 2,063,104	\$ 1,982,984
1/2 Cent Sales Tax	-	-	-	-
Other Taxes, Penalties and Interest, etc.	7,258	-	-	-
Intergovernmental Revenues:				
Federal Funds:				
Section 8 Housing	5,800	-	-	-
Other Federal Funds	27,909	-	-	-
State Funds:				
Parish Transportation Funds	-	-	-	-
State Revenue Sharing (net)	61,724	97,124	97,124	29,845
Grants - Other State Agencies	90,049	-	-	-
Severance Tax	168,181	-	-	-
Fees, Charges and Commission for Services	364,484	-	-	38,758
Fines and Forfeitures	-	-	-	-
Use of Money and Property				
Interest Earnings and Rents	124,745	12,806	18,950	59,760
Other Revenues	66,909	4,037	4,037	-
	<u>2,188,235</u>	<u>2,204,696</u>	<u>2,183,215</u>	<u>2,111,347</u>
Expenditures:				
General Government	1,175,572	-	-	-
Public Safety	840,142	-	-	-
Public Works	-	1,562,446	1,756,632	-
Health and Welfare	25,770	-	-	-
Culture and Recreation	6,040	-	-	2,267,941
Economic Development and Assistance	27,500	-	-	-
Capital Outlay	-	201,403	61,716	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Other	-	-	-	-
	<u>2,075,024</u>	<u>1,763,849</u>	<u>1,818,348</u>	<u>2,267,941</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>113,211</u>	<u>440,847</u>	<u>364,867</u>	<u>(156,594)</u>
Other Financing Sources (Uses):				
Proceeds from Borrowing	-	-	-	-
Operating Transfers In	-	-	-	-
Operating Transfers Out	(79,235)	(1,660,000)	-	-
	<u>(79,235)</u>	<u>(1,660,000)</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	33,976	(1,219,153)	364,867	(156,594)
Fund Balances, Beginning (restated)	<u>3,584,848</u>	<u>5,901,110</u>	<u>5,152,929</u>	<u>3,164,939</u>
Fund Balances, Ending	<u>\$ 3,618,824</u>	<u>\$ 4,681,957</u>	<u>\$ 5,517,796</u>	<u>\$ 3,008,345</u>

Solid Waste Disposal Fund	Solid Waste Disposal Equipment Reserve Fund	Hospital Proceeds Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 265,698	\$ 7,673,691
4,541,797	-	-	-	4,541,797
-	-	-	-	7,258
-	-	-	593,318	599,118
-	-	-	7,500	35,409
-	-	-	497,072	497,072
-	-	-	-	285,817
-	-	-	5,000	95,049
-	-	-	-	168,181
157,303	-	-	445,675	1,006,220
-	-	-	446,777	446,777
-	-	178,162	638,774	1,033,197
10,415	26,231	-	39,412	151,041
<u>4,709,515</u>	<u>26,231</u>	<u>178,162</u>	<u>2,939,226</u>	<u>16,540,627</u>
-	-	-	1,046,505	2,222,077
-	-	-	-	840,142
3,841,235	5,653	-	1,364,662	8,530,628
-	-	45,100	622,545	693,415
-	-	-	715,655	2,989,636
-	-	-	-	27,500
114,977	-	-	2,386,553	2,764,649
-	-	-	404,000	404,000
-	-	-	158,939	158,939
<u>3,956,212</u>	<u>5,653</u>	<u>45,100</u>	<u>6,698,859</u>	<u>18,630,986</u>
<u>753,303</u>	<u>20,578</u>	<u>133,062</u>	<u>(3,759,633)</u>	<u>(2,090,359)</u>
-	-	-	1,054,682	1,054,682
-	-	-	2,656,931	2,656,931
(899,196)	-	(18,500)	-	(2,656,931)
<u>(899,196)</u>	<u>-</u>	<u>(18,500)</u>	<u>3,711,613</u>	<u>1,054,682</u>
(145,893)	20,578	114,562	(48,020)	(1,035,677)
<u>328,881</u>	<u>2,978,253</u>	<u>10,177,238</u>	<u>10,841,365</u>	<u>42,129,563</u>
<u>\$ 182,988</u>	<u>\$ 2,998,831</u>	<u>\$ 10,291,800</u>	<u>\$ 10,793,345</u>	<u>\$ 41,093,886</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net Change in Fund Balances - Total Governmental Funds	\$	(1,035,677)
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital assets purchases capitalized		2,871,401
Capital assets disposed of less accumulated depreciation		-
Depreciation Expense		(1,353,673)
		1,517,728
 Postretirement benefit plan expenditures		 159,878
 The issuance of long-term debt (e.g. capital leases, bonds) provides current financial resources to governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		 (1,054,682)
 Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt liabilities in the statement of net position.		 404,000
 Payments of long-term debt, including contributions to the OPEB obligation, are reported as expenditures in governmental funds. However, these amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities:		
Change in compensated absences payable		(18,721)
Pension expense		(112,501)
Other parties' contributions to pension plans		42,345
		(88,877)
 Change in Net Position in Governmental Activities	 \$	 <u>(97,630)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2020

ASSETS

Investments, at Fair Value	<u>\$ 1,087,152</u>
TOTAL ASSETS	<u><u>\$ 1,087,152</u></u>

LIABILITIES

Liabilities	\$ -
-------------	------

NET POSITION

Held in Trust for Deferred Compensation Benefits	<u>1,087,152</u>
TOTAL NET POSITION	<u><u>\$ 1,087,152</u></u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2020

Balances Held in Trust for Deferred Compensation Benefits - Beginning	<u>\$ 1,163,131</u>
Additions:	
Contributions from Plan Participants	7,202
Investment Income	<u>36,396</u>
Total Additions:	43,598
Reductions:	
Benefit Payments to Plan Participants	118,899
Investment Management Fee	<u>678</u>
Total Subtractions:	119,577
Balances Held in Trust for Deferred Compensation Benefits - Ending	<u><u>1,087,152</u></u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

INTRODUCTION

The Lincoln Parish Police Jury (the Jury) is the governing authority for Lincoln Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in January of 2024.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own 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 by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jury complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

The accompanying financial statements of the Lincoln Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

As the governing authority, for reporting purposes, the Lincoln Parish Police Jury is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the Lincoln Parish 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 Jury are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14 established criteria for determining which component units should be considered part of the Lincoln Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body and (1) the ability of the Jury to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Jury. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the Jury. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Units</u>	<u>Criteria Used</u>
Lincoln Parish Tax Assessor	2
Lincoln Parish District Attorney	2
Lincoln Parish Sheriff	2
Lincoln Parish Detention Center	2
Humanitarian Enterprises of Lincoln Parish	2

The following have been determined to be related organizations:

Lincoln Health Foundation	1&2
Northern Louisiana Medical Center	1&2
Fire Protection District No. 1 of Lincoln Parish	1&2
Ruston-Lincoln Industrial Development Board	1&2
Mount Olive Waterworks District	1&2
Waterworks District No. 1 of Lincoln Parish	1&2
Waterworks District No. 2 of Lincoln Parish	1&2
Waterworks District No. 3 of Lincoln Parish	1&2
Lincoln Parish Communications District	1&2
Lincoln Parish Geographic Information System	1&2

Since the Jury is legally separate and fiscally independent of other state and local governments and has a separately elected governing body, it meets the definition of a primary government as defined by GASB Statement 14.

The Police Jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government’s (police jury) financial statements are not a substitute for the reporting entity’s financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to government units.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury). Considered in the determination of component units of the reporting entity were the School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Lincoln Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Lincoln Parish Police Jury.

Measurement Focus, Basis of Accounting and Financial Statement Position

Government-Wide Financial Statements – The governmental-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period; the Lincoln Parish Police Jury considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end.

Principal revenue sources considered susceptible to accrual include federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the Jury's present appropriation system. These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the Jury. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2020 has been reported only in the governmental-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

The financial activities of the Jury are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Jury uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Governmental Funds

Governmental funds account for the Police Jury's general governmental activities including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental funds that do not meet the dollar tests for major funds. Governmental funds include:

General Fund – This fund accounts for all activities of the Jury not specifically required to be accounted for in other funds. Included are transactions for services such as general government, health services, public safety, regulatory services and social services.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Types – These funds account for assets held by the Police Jury as a trustee or agent for other units of government. This fund includes the following:

Nonexpendable Trust Fund – Nonexpendable Trust Funds are used to account for assets held by the government in a trustee capacity for others. The principal of the trust must be held intact and only the income earned may be used for the purpose specified in the hospital sale proposition, as approved by voters of Lincoln Parish.

Agency Fund – Agency Funds are used to account for assets held by the government as an agent for individuals, private organization, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Use of Estimates

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Practices

Budgetary practices of the Police Jury include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Budgets are prepared in conformity with GAAP using the modified accrual basis of accounting. The secretary-treasurer is authorized to transfer budget amounts within a function by object classification; however, any revisions that alter the total expenditures of any function must be approved by the Lincoln Parish Police Jury. Appropriations lapse at year-end. Budgeted amounts shown in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. The level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

Cash and Cash Equivalents

Cash includes demand deposits and money market accounts. Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. Further, the Police Jury may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Investments

Under state law, the Police Jury may invest in United States treasury notes or certificates. These funds are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. In accordance with the provisions of GASB Statement 31, investments are carried at fair market value or amortized cost, as further discussed in Notes 2 and 3.

Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the police jurors – the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the police jurors remove the specified use by taking the same type of action imposing the commitment.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Police Jury’s “intent” to be used for specific purposes, but are neither restricted nor committed. The police jurors and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

The Police Jury has not established a formal policy regarding order of spending fund balances that are restricted, committed or assigned. The Police Jury’s informal policy for the spending prioritization of fund balances is that restricted would receive top priority, followed by committed. Assigned would receive the least priority and would be authorized to be spent if adequate funds were available. If expenditures incurred exceed the amounts that have been committed or assigned to the specific purpose, amounts assigned or committed would be reduced to eliminate the deficit.

Receivables

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. In the process of aggregating data for the statements of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Fixed Assets

Fixed assets of the Jury are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciable lives are from 5 years for equipment and vehicles, 40 years for buildings and 25 years for infrastructure assets.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Annual and Sick Leave

The following annual and sick leave policies are in effect:

Police Jury

Employees accrue from five to twenty days of annual and five to fifteen days sick leave each year depending on years of service with the Police Jury for a total of not more than 120 days. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Library

Employees of the library earn from twelve to twenty days vacation leave each year depending on length of service and professional status. Vacation leave is not cumulative. Employees of the library earn twelve days sick leave each year, which can be accumulated up to twenty-four days for major medical purposes only. Sick leave lapses at termination of employment.

Third Judicial Criminal District Court

The employees of the district attorney's office, paid from the criminal court fund, accrue twelve days of annual leave and twelve days of sick leave each year. The leave must be used in the year earned. The employees of the district judge's office, paid from the criminal court fund, do not have a formal leave policy.

The Jury accrues costs incurred for annual leave. Accrued sick leave benefits are not accrued due to the policy of not paying benefits upon termination.

Sales and Use Tax

Lincoln Parish has a one-half percent parish-wide sales and use tax approved by the voters of the parish. The net proceeds of the tax (after costs of collections) are used for the purpose of acquiring, operating and maintaining parish-wide solid waste disposal facilities and equipment. After operational costs for the parish-wide solid waste disposal facilities and equipment are determined, the remainder of the proceeds is allocated and divided between the Police Jury and incorporated municipalities within the parish according to a prescribed formula.

Sales tax and use taxes are collected by the Lincoln Parish Sales Tax Commission, an entity separate from the Police Jury, and the tax proceeds applicable to the Police Jury are transferred monthly.

Inventories

Inventories for all governmental funds are valued at cost. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets. Inventories are accounted for as assets when purchased and recorded as expenditures as consumed.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the Police Jury’s deposits may not be returned to it. The Police Jury’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its’ own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Police Jury had no custodial credit risk related to its deposits at December 31, 2020. The Police Jury had cash and cash equivalents in demand deposits, totaling \$8,521,427 at December 31, 2020.

These deposits are stated at cost, which approximates market. 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. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2020, are secured, as follows:

Bank Balances	<u>\$ 9,676,634</u>
FDIC Insurance	1,250,000
Pledged Securities (uncollateralized)	<u>12,144,354</u>
Total	<u>\$ 13,394,354</u>

NOTE 3 - INVESTMENTS

Custodial Credit Risk – Investments. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Jury’s investments in United States government securities are held by the Police Jury’s agent in the Police Jury’s name. Therefore, the Police Jury had no custodial credit risk related to its investments at December 31, 2020.

Under state law, the Police Jury may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2020, the Police Jury had the following investments stated at cost, which approximates market:

Government Agency Bonds	\$ 16,979,243
Equities	18,294
Cash or Money Market Accounts	<u>6,126,394</u>
Total	<u>\$ 23,123,931</u>

Interest Rate Risk. In accordance with its investments policy, the Police Jury manages its exposure to declines in fair market values by limiting investment portfolios to money market investments, which are defined as creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 – INVESTMENTS (Continued)

Credit Risk. The Police Jury’s investment policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies.

Concentration of Credit Risk. The Police Jury’s investment policy limits the Police Jury’s investment instruments to: 1) certificates of deposit; 2) certain direct obligations of the U.S. Government; 3) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and 4) the Louisiana Asset Management Pool.

NOTE 4 – RECEIVABLES

The receivables of \$7,659,038 on December 31, 2020, are detailed as follows:

	<u>Class of</u> <u>Receivables</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Capital</u> <u>Project</u> <u>Funds</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u>
Taxes						
Ad valorem		\$ 1,212,536	\$ 5,891,882	\$ -	\$ 251,083	\$ 7,355,501
State revenue sharing		41,150	129,502	-	19,848	190,500
State reimbursements		51,069	-	-	-	51,069
Other		<u>15,227</u>	<u>46,741</u>	<u>-</u>	<u>-</u>	<u>172,575</u>
Totals		<u>\$ 1,326,462</u>	<u>\$ 6,068,125</u>	<u>\$ -</u>	<u>\$ 270,931</u>	<u>\$ 7,659,038</u>

Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the sheriff’s sale of property is immaterial, thus no provision has been made for such loss.

NOTE 5 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2020, is as follows:

	<u>2019</u> <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>2019</u> <u>Balance</u>
Non-Depreciable Assets:				
Land	\$ 1,681,786	\$ -	\$ -	\$ 1,681,786
Improvements - CIP	<u>372,392</u>	<u>1,608,946</u>	<u>(240,000)</u>	<u>1,741,338</u>
Total	<u>2,054,178</u>	<u>1,608,946</u>	<u>(240,000)</u>	<u>3,423,124</u>
Depreciable Assets				
Buildings	10,714,277	-	-	10,714,277
Infrastructure	26,302,244	240,000	-	26,542,244
Improvements	11,098,922	516,956	-	11,615,878
Vehicles	2,683,414	174,131	(311,153)	2,546,392
Furniture & Fixtures	1,233,110	-	(18,049)	1,215,061
Machinery & Equipment	<u>6,372,579</u>	<u>331,368</u>	<u>(326,177)</u>	<u>6,377,770</u>
Total	<u>58,404,546</u>	<u>1,262,455</u>	<u>(655,379)</u>	<u>59,011,622</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5 – PROPERTY AND EQUIPMENT (Continued)

Less: Accumulated Depreciation:

Buildings	(5,854,325)	(173,306)	-	(6,027,631)
Infrastructure	(20,103,663)	(209,537)	-	(20,313,200)
Improvements	(5,510,556)	(398,299)	-	(5,908,855)
Vehicles	(1,265,157)	(184,233)	311,153	(1,138,237)
Furniture & Fixtures	(1,124,878)	(5,700)	18,049	(1,112,529)
Machinery & Equipment	(3,766,581)	(382,598)	326,177	(3,823,002)
Total	(37,625,160)	(1,353,673)	655,379	(38,323,454)

Capital Assets, Net	<u>\$ 22,833,564</u>	<u>\$ 1,517,728</u>	<u>\$(240,000)</u>	<u>\$ 24,111,292</u>
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Depreciation expense charged for \$1,353,673, is as follows:

General Government	\$ 240,900
Public Works	728,480
Public Safety	5,787
Culture and Recreation	<u>378,506</u>
Total	<u>\$ 1,353,673</u>

NOTE 6 – PENSION PLAN

Plan Description

The Lincoln Parish Police Jury contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

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

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

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 – PENSION PLAN – (Continued)

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

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

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

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

For the year ended December 31, 2020, the Lincoln Parish Police Jury's total payroll for all employees was \$4,422,792. Total covered payroll was \$3,699,598. Covered payroll refers to all compensation paid by the Lincoln Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2020, the actual employer contribution rate was 12.25% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Lincoln Parish Police Jury to the System monthly. The Lincoln Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2020 were \$453,201.

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

At December 31, 2020, the Employer reported a liability of \$25,731 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 – PENSION PLAN – (Continued)

The Lincoln Parish Police Jury’s proportion of the Net Pension Liability was based on a projection of the Police Jury’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2019, the Police Jury’s proportion was 0.546600%, which was an decrease of 0.013071% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Lincoln Parish Police Jury recognized pension expense of \$83,266 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$69,310). Total pension expense for the Lincoln Parish Police Jury for the year ended December 31, 2020 was \$13,956.

At December 31, 2020, the Lincoln Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	230,352
Changes in assumption	359,371	14,803
Net difference between projected and actual earnings on pension plan investments	-	964,548
Changes in employer’s portion of beginning net pension liability	834	-
Differences between employer contributions and proportionate share of employer contributions	4,706	404
Subsequent measurement contributions	453,201	-
Total	818,112	1,210,107

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

Year ended December 31,	
2020	572,017
2021	312,668
2022	255,865
2023	525,289

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 – PENSION PLAN – (Continued)

Actuarial Assumptions

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

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.50% (net of investment expense, including inflation)
Expected remaining service lives	4 years
Projected salary increases	4.75%
Inflation Rate	2.40%
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 rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

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 6.50% for the year ended December 31, 2019.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 – PENSION PLAN – (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	0.65%
Real Assets	2%	0.11%
Totals	100%	5.43%
Inflation		2.00%
Expected arithmetic nominal return		7.43%

Discount Rate

The discount rate used to measure the total pension liability was 6.50% for Plan A and 6.50% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Lincoln Parish Police Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Lincoln Parish Police Jury’s proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Police Jury’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1.0% Decrease (5.5%)	Current Discount Rate (6.5%)	1.0% Increase (7.5%)
Employer’s proportionate share of net pension liability	\$2,781,093	\$25,731	(\$2,283,208)

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$0, which is the legally required contribution due at December 31, 2020. There is no amount recorded in accrued expenses.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at www.persla.org.

NOTE 7 – LEASES

Operating Leases (Lessee). The Lincoln Parish Police Jury leases space under noncancelable operating leases in the building the Police Jury purchased in September 2009. Total income for such leases were \$134,277 for the year ended December 31, 2020. Future minimum lease payments for these leases are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>LPPJ Complex</u> <u>Lease</u>
2021	<u>143,000</u>
Total	<u>\$ 143,000</u>

NOTE 8 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2020, are as follows:

<u>Fund</u>	<u>Due To</u> <u>Other Funds</u>	<u>Due From</u> <u>Other Funds</u>
Major Funds:		
General Fund	\$ 4,861,742	\$ 2,132,070
Special Revenue Funds:		
Road Construction Fund	1,884,482	3,341,160
Road Maintenance Fund	-	2,036,215
Library Fund	1,510,248	-
Solid Waste Disposal Fund	346,944	8,873
Hospital Proceeds Fund	102,480	19,733
Non-Major Funds:		
Special Revenue Funds	465,140	904,051
Capital Projects Funds	2,078,163	3,343,258
Debt Service Funds	<u>539,156</u>	<u>2,995</u>
Totals	<u>\$ 11,788,355</u>	<u>\$ 11,788,355</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 9 – RESERVED FUND BALANCE – WITNESS FEES

Louisiana Revised Statute 15:255 provides for the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases. Court costs and witness fees are accounted for in the Criminal Court Special Revenue Fund. The following schedule provides a detail of changes in the fund balance of the Law Enforcement Witness Fee Fund for the year ended December 31, 2020:

Balance at January 1, 2020	\$ 29,172
Court costs collected	5,362
Interest	31
Witness fees paid	<u>(100)</u>
Balance at December 31, 2020	<u>\$ 34,465</u>

NOTE 10 – DESIGNATED FUND BALANCE – EQUIPMENT REPLACEMENT

The Lincoln Parish Police Jury, by ordinance, established the Solid Waste Equipment Reserve Special Revenue Fund to account for monies designated for replacement of solid waste collection and disposal equipment. Transfers are made from the Solid Waste Collection and Solid Waste Disposal Special Revenue Funds based on the amortization of equipment costs in those funds. The amounts transferred are recognized as operating transfers in the accompanying financial statements.

The following schedule provides detail on changes for the year ended December 31, 2020.

	<u>Collection Equipment</u>	<u>Disposal Equipment</u>	<u>Total</u>
Balance at January 1, 2020	\$ 2,749,691	\$ 2,978,253	\$ 5,727,944
Transfers in (out)	-	-	-
Sale of assets	-	-	-
Other revenues	27,595	26,231	53,826
Equipment replacement costs	-	-	-
Expenditures	<u>(112,421)</u>	<u>(5,653)</u>	<u>(118,074)</u>
Balance at December 31, 2020	<u>\$ 2,664,865</u>	<u>\$ 2,998,831</u>	<u>\$ 5,663,696</u>

The total Solid Waste Equipment Reserve as of December 31, 2020, is as follows:

Solid Waste Equipment Reserve	\$ 5,663,696
Sewer Fund Equipment Replacement	<u>81,181</u>
Total Fund Equity Designated for Equipment Replacement	<u>\$ 5,744,877</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 – CRIMINAL COURT FUND SURPLUS

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Criminal Court Special Revenue Fund at year end be transferred to the parish General Fund. During the year ended December 31, 2020, \$0 was to be transferred.

NOTE 12 – LITIGATION AND CLAIMS

The Police Jury, at the present time, has pending litigation according to the district attorney in Lincoln Parish. In the opinion of the district attorney, the amount of the Police Jury’s liability, if any, with respect to those matters will not materially affect the financial statement.

NOTE 13 – PROPERTY TAX REVENUE

Property taxes are due as of December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. An enforceable lien attaches to the property with unpaid taxes and is sold at a tax sale.

<u>Property Tax Calendar</u>	
Assessment Date	January 1
Levy Date	June 30
Tax Bills Mailed	November 18
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Tax Sales – 2021 Delinquent Property	July 7 of ensuing year*

*Tax sale was postponed due to Governors order concerning the COVID-19 Pandemic.

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parish Taxes:		
General Fund inside Ruston	2.00	1.67
General Fund outside Ruston	4.00	3.35
Road Maintenance	4.41	4.39
Construction Improvement	4.41	4.39
Library Operation	5.99	4.15
Library Bond Fund	0.80	0.55

NOTE 14 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2020, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances (Unfavorable)</u>
General Fund			
State Revenue Sharing	\$69,170	\$61,724	\$(7,446)
Severance Tax Revenue	199,500	168,181	(31,319)

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - Continued

Budget/Actual Unfavorable Variances - Continued

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>(Unfavorable)</u>
Road Construction Fund			
State Revenue Sharing	101,740	97,124	(4,616)
Road Maintenance Fund			
State Revenue Sharing	101,742	97,124	(4,618)
Library Fund			
State Revenue Sharing	34,058	29,845	(4,213)
Culture and Recreation	2,141,975	2,267,941	(125,966)
Solid Waste Disposal Fund			
Interest Earnings and Rent	18,000	10,415	(7,585)
Public Works	3,590,460	3,841,235	(250,775)
Hospital Proceeds Fund			
Health and Welfare	41,530	45,100	(3,570)

NOTE 15 – DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Police Jury may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Police Jury. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB Statements No. 32 and No. 34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Police Jury or its political subdivisions.

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The Lincoln Parish Police Jury (the Police Jury) provides certain continuing health care and life insurance benefits for its retired employees. The Lincoln Parish Police Jury’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Police Jury. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Police Jury. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Medical and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by Plan A of the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS AND LIFE INSURANCE BENEFITS – Continued

For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. Employees hired on and after January 1, 2008 are not eligible for any retiree health coverage.

Life insurance coverage is provided to retirees for 50% of the active level and 100% of the rate is paid by the employer.

Employees covered by benefit terms – At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	35
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>75</u>
	<u><u>110</u></u>

Total OPEB Liability

The Police Jury’s total OPEB liability of \$7,800,787 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0%, including inflation
Discount rate	2.74% annually (Beginning of Year to Determine ADC) 2.12%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Combined Mortality Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2020, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2020.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in the Total OPEB Liability

Balance at December 31, 2019	\$ 7,002,183
Changes for the year:	
Service cost	199,192
Interest	194,589
Differences between expected and actual experience	(1,731,306)
Changes in assumptions	2,386,131
Benefit payments and net transfers	(250,002)
Net changes	798,604
Balance at December 31, 2020	\$ 7,800,787

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current discount rate:

	1.0% Decrease (1.12%)	Current Discount Rate (2.12%)	1.0% Increase (3.12%)
Total OPEB liability	\$ 8,988,540	\$ 7,800,787	\$ 6,839,438

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 6,827,164	\$ 7,800,787	\$ 9,000,107

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

For the year ended December 31, 2020, the Police Jury recognized OPEB expense of \$525,003. At December 31, 2020, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 282,027	\$ (1,676,877)
Changes in assumptions	2,922,734	(314,399)
Total	\$ 3,204,761	\$ (1,991,276)

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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

<u>Years ending December 31:</u>	
2021	131,222
2022	131,222
2023	131,222
2024	131,222
2025	131,222
Thereafter	557,373

NOTE 17 – BONDS PAYABLE

On March 1, 2001, general obligation bonds were issued in the amount of \$5,300,000 for the purpose of library renovations. These bonds were reissued in 2011 in the amount of \$3,577,000 and are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2011. Principal payments commenced on March 1, 2011. The bonds carry a net interest rate of 3.02%.

On March 13, 2020, bond anticipation notes were authorized in the amount of \$2,677,000 for the purpose of construction of an inmate dormitory for the Lincoln Parish Detention Center. Origin Bank offered a construction line of credit in the amount of \$1,607,000, and Louisiana Public Facilities Authority offered a line of credit for \$1,070,000, with interest only payable quarterly for 12 months. At the end of the loan term, Rural Development will close these loans into one note repayable for a term of 20 years. At year end, \$1,504,682 of the total borrowing capacity had been drawn to pay construction expenses.

The following is the future principal and interest requirements:

	<u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u>	<u>Due</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Within One</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Year</u>
Government Activities:					
Bonds Payable:					
General Obligation Refunding					
Bond, Series 2011	\$ 825,000	\$ -	\$ 404,000	\$ 421,000	\$ 421,000
Bond Anticipation Notes	-	1,054,682	-	1,054,682	-
Accrued Vacation and Sick Time	<u>94,142</u>	<u>18,721</u>	<u>-</u>	<u>112,863</u>	<u>112,863</u>
Total Governmental Activities					
Long-Term Debt	<u>\$ 919,142</u>	<u>\$1,073,403</u>	<u>\$ 404,000</u>	<u>\$1,588,545</u>	<u>\$533,863</u>

Principal and interest requirements to retire the Police Jury's bonds payable obligation are as follows:

Certificates of Indebtedness		
Year Ended	<u>Series 2011</u>	
<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2021	<u>421,000</u>	<u>6,357</u>
Total	<u>\$ 421,000</u>	<u>\$ 6,357</u>

Payments on the bonds payable that pertain to the Police Jury's governmental activities are made by the debt service fund. The accrued vacation and sick time will be liquidated primarily by the General Fund. Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 18 – INTERFUND OPERATING TRANSFERS IN AND OUT

Fund	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
Major Funds:		
General Fund	\$ -	\$ 79,235
Road Construction Fund	-	1,660,000
Special Revenue Funds:		
Solid Waste Disposal Fund	-	899,196
Hospital Proceeds Fund	-	18,500
Non-Major Funds:		
Special Revenue Funds	917,696	-
Capital Projects Funds	<u>1,739,235</u>	<u>-</u>
Totals	<u>\$ 2,656,931</u>	<u>\$ 2,656,931</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 19 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 27, 2021, which is the day the financial statements were available to be issued, and it has been determined that three significant events require disclosure.

During the December 2020 election, the renewal of the library millage failed to pass. The millage is the main source of operating revenue for the library. The millage is on the ballot again in November 2021.

The Police Jury obtained financing for the Detention Center Dormitory expansion from Rural Development in June of 2021. The loan proceeds paid off the construction period bond anticipation notes from a local bank and Louisiana Public Finance Authority. The new 20 year term loan has its first payment due August 2021.

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Cononavirus Local Fiscal Recovery Funds, which together make up the Coronavirus State and Local Fiscal Recovery Funds program. This program is intended to provide support to State, territorial, local and Tribal governments in responding to the economic and public health impacts of Covid 19 and in their efforts to contain impacts on their communities, residents and businesses. The Police Jury was awarded \$9,079,086. The first half of the funds were received in May 2021. The second half is to be paid in March 2022.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 21: LANDFILL CLOSURE AND POST CLOSURE COSTS

State and federal laws and regulations require the Police Jury to place a final cover on its Type III C&D and woodwaste Landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Because closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Police Jury does not report these costs as an operating expense in the December 31, 2020 financial statements. The Police Jury will recognize the estimated cost of closure and post closure care of \$531,521 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care in 2018. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The Police Jury is required by state and federal laws and regulations to make annual contributions to a separate fund to finance closure and post closure care. The Police Jury is in compliance with these requirements, and, at December 31, 2020, investments of \$1,919,522 are held for these purposes in the Solid Waste Disposal Reserve Fund. These are reported as assigned assets on the balance sheet. The Police Jury expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by future charges to landfill users or from future tax revenue.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,217,900	\$ 1,217,900	\$ 1,271,176	\$ 53,276
Licenses & Permits	163,040	197,676	183,920	(13,756)
Intergovernmental Revenues:				
Federal Funds:				
Section 8 Housing	6,870	5,450	5,800	350
FEMA	-	-	27,909	27,909
State Funds:				
State Revenue Sharing	64,295	69,170	61,724	(7,446)
Severance Tax	260,660	199,500	168,181	(31,319)
Grants - State	-	-	90,049	90,049
Fees, Charges & Commission for Services	207,885	199,235	180,564	(18,671)
Use of Money and Property, Interest Earnings and Rent	128,970	63,125	124,745	61,620
Other Revenues	15,000	17,400	74,167	56,767
Total Revenues	<u>2,064,620</u>	<u>1,969,456</u>	<u>2,188,235</u>	<u>218,779</u>
<u>Expenditures (Outflows):</u>				
General Government	1,236,412	1,212,662	1,175,572	37,090
Public Safety	841,238	832,203	840,142	(7,939)
Health and Welfare	29,000	29,000	25,770	3,230
Culture and Recreation	56,030	56,040	6,040	50,000
Economic Development	29,750	29,750	27,500	2,250
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,192,430</u>	<u>2,159,655</u>	<u>2,075,024</u>	<u>47,541</u>
<u>Excess (Deficiency) of Revenues</u> <u>Over Expenditures</u>	(127,810)	(190,199)	113,211	266,320
<u>Other Financing Uses:</u>				
Operating Transfers Out	(50,000)	(50,000)	(79,235)	(29,235)
<u>Excess (Deficiency) of Revenues Over</u> <u>Expenditures and Other Uses</u>	(177,810)	(240,199)	33,976	237,085
<u>Fund Balance at Beginning of Year</u>	<u>3,584,848</u>	<u>3,584,848</u>	<u>3,584,848</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 3,407,038</u>	<u>\$ 3,344,649</u>	<u>\$ 3,618,824</u>	<u>\$ 237,085</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
ROAD CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,994,210	\$ 1,994,210	\$ 2,090,729	\$ 96,519
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	101,740	101,740	97,124	(4,616)
Use of Money and Property, Interest Earnings and Rent	<u>13,140</u>	<u>13,140</u>	<u>16,843</u>	<u>3,703</u>
Total Revenues	<u>2,109,090</u>	<u>2,109,090</u>	<u>2,204,696</u>	<u>95,606</u>
<u>Expenditures (Outflows):</u>				
Public Works	1,730,550	1,777,671	1,562,446	215,225
Capital Outlay	<u>224,000</u>	<u>240,000</u>	<u>201,403</u>	<u>38,597</u>
Total Expenditures	<u>1,954,550</u>	<u>2,017,671</u>	<u>1,763,849</u>	<u>253,822</u>
<u>Excess of Revenues Over Expenditures</u>	154,540	91,419	440,847	349,428
<u>Other Financing Uses:</u>				
Transfers Out	(1,725,500)	(1,660,000)	(1,660,000)	-
<u>Fund Balance at Beginning of Year</u>	<u>5,901,110</u>	<u>5,901,110</u>	<u>5,901,110</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 4,330,150</u>	<u>\$ 4,332,529</u>	<u>\$ 4,681,957</u>	<u>\$ 349,428</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
ROAD MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,994,210	\$ 1,994,210	\$ 2,063,104	\$ 68,894
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	101,742	101,742	97,124	(4,618)
Use of Money and Property, Interest Earnings and Rent	<u>23,870</u>	<u>23,840</u>	<u>22,987</u>	<u>(853)</u>
Total Revenues	<u>2,119,822</u>	<u>2,119,792</u>	<u>2,183,215</u>	<u>63,423</u>
<u>Expenditures (Outflows):</u>				
Public Works	2,025,979	1,859,575	1,756,632	102,943
Capital Outlay	<u>90,000</u>	<u>65,000</u>	<u>61,716</u>	<u>3,284</u>
Total Expenditures	<u>2,115,979</u>	<u>1,924,575</u>	<u>1,818,348</u>	<u>106,227</u>
<u>Excess of Revenues Over Expenditures</u>	3,843	195,217	364,867	169,650
<u>Fund Balance at Beginning of Year</u>	<u>5,152,929</u>	<u>5,152,929</u>	<u>5,152,929</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 5,156,772</u>	<u>\$ 5,348,146</u>	<u>\$ 5,517,796</u>	<u>\$ 169,650</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
LIBRARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,432,252	\$ 1,983,700	\$ 1,982,984	\$ (716)
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	24,126	34,058	29,845	(4,213)
Fees, Charges & Commission for Services	125,600	55,200	98,518	43,318
Other Revenues	3,000	100	-	(100)
Total Revenues	<u>1,584,978</u>	<u>2,073,058</u>	<u>2,111,347</u>	<u>38,289</u>
<u>Expenditures (Outflows):</u>				
Culture and Recreation	<u>2,412,769</u>	<u>2,141,975</u>	<u>2,267,941</u>	<u>(125,966)</u>
Total Expenditures	<u>2,412,769</u>	<u>2,141,975</u>	<u>2,267,941</u>	<u>(125,966)</u>
<u>Excess (Deficit) of Revenues Over Expenditures</u>	(827,791)	(68,917)	(156,594)	(87,677)
<u>Fund Balance at Beginning of Year</u>	<u>3,164,939</u>	<u>3,164,939</u>	<u>3,164,939</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 2,337,148</u>	<u>\$ 3,096,022</u>	<u>\$ 3,008,345</u>	<u>\$ (87,677)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
1/2 Cent Sales Tax	\$ 4,546,560	\$ 3,962,400	\$ 4,541,797	\$ 579,397
Fees, Charges & Commission for Services	168,000	145,000	157,303	12,303
Use of Money and Property, Interest Earnings and Rent	3,800	18,000	10,415	(7,585)
Total Revenues	<u>4,718,360</u>	<u>4,125,400</u>	<u>4,709,515</u>	<u>584,115</u>
<u>Expenditures (Outflows):</u>				
Public Works	3,708,275	3,590,460	3,841,235	(250,775)
Capital Outlay	-	25,000	114,977	(89,977)
Total Expenditures	<u>3,708,275</u>	<u>3,615,460</u>	<u>3,956,212</u>	<u>(250,775)</u>
<u>Excess of Revenues Over Expenditures</u>	1,010,085	509,940	753,303	333,340
<u>Other Financing Uses:</u>				
Transfers Out	(1,046,795)	(835,000)	(899,196)	(64,196)
<u>Fund Balance at Beginning of Year</u>	<u>328,881</u>	<u>328,881</u>	<u>328,881</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 292,171</u>	<u>\$ 3,821</u>	<u>\$ 182,988</u>	<u>\$ 269,144</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL EQUIPMENT RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 54,940	\$ 15,000	\$ 26,231	\$ 11,231
Total Revenues	54,940	15,000	26,231	11,231
<u>Expenditures (Outflows):</u>				
Public Works	-	-	5,653	(5,653)
Capital Outlay	-	-	-	-
Total Expenditures	-	-	5,653	(5,653)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	54,940	15,000	20,578	5,578
<u>Fund Balance at Beginning of Year</u>	2,978,253	2,978,253	2,978,253	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 3,033,193</u>	<u>\$ 2,993,253</u>	<u>\$ 2,998,831</u>	<u>\$ 5,578</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
HOSPITAL PROCEEDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 216,712	\$ 75,000	\$ 178,162	\$ 103,162
Total Revenues	216,712	75,000	178,162	103,162
<u>Expenditures (Outflows):</u>				
Health and Welfare	41,530	41,530	45,100	(3,570)
<u>Excess of Revenues Over Expenditures</u>	175,182	33,470	133,062	99,592
<u>Other Financing Uses</u>				
Operating Transfers Out	(18,500)	(18,500)	(18,500)	-
<u>Fund Balance at Beginning of Year</u>	10,177,238	10,177,238	10,177,238	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 10,333,920</u>	<u>\$ 10,192,208</u>	<u>\$ 10,291,800</u>	<u>\$ 99,592</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2020

Budgetary practices of the Police Jury include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Budgets are prepared in conformity with GAAP using the modified accrual basis of accounting. The secretary-treasurer is authorized to transfer budget amounts within a function by object classification; however, any revisions that alter the total expenditures of any function must be approved by the Lincoln Parish Police Jury. Appropriations lapse at year-end. Budgeted amounts shown in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. The level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

State law requires the Police Jury to amend its budgets when revenues plus projected revenues within a fund are expected to fall short from budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more.

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2020, for the governmental funds that had variances greater than 5%, see note 14 in the financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Fiscal Year</u>	<u>Agency's proportion of the net pension liability (asset)</u>	<u>Agency's proportionate share of the net pension liability (asset)</u>	<u>Agency's covered payroll</u>	<u>Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2015	0.58904%	\$ 161,048	\$ 3,310,538	4.86%	99.15%
2016	5.52352%	\$ 1,453,949	\$ 3,166,967	45.91%	92.23%
2017	0.55978%	\$ 1,152,880	\$ 3,320,553	34.72%	94.15%
2018	0.55644%	\$ (413,016)	\$ 3,424,986	-12.06%	101.98%
2019	0.55967%	\$ 2,484,021	\$ 3,440,638	72.20%	88.86%
2020	0.54660%	\$ 25,731	\$ 3,465,937	0.74%	99.89%

Amounts presented were determined as of the measurement date (previous fiscal year end). Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Fiscal Year</u>	<u>(a) Statutorily required contribution</u>	<u>(b) Contributions in relation to the statutorily required contribution</u>	<u>(a-b) Contribution deficiency</u>	<u>Agency's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2015	\$ 459,210	\$ 459,210	\$ -	\$ 3,166,967	14.50%
2016	\$ 431,577	\$ 431,577	\$ -	\$ 3,320,553	13.00%
2017	\$ 428,123	\$ 428,123	\$ -	\$ 3,424,986	12.50%
2018	\$ 395,673	\$ 395,673	\$ -	\$ 3,440,638	11.50%
2019	\$ 398,583	\$ 398,583	\$ -	\$ 3,465,937	11.50%
2020	\$ 453,201	\$ 453,201	\$ -	\$ 3,699,598	12.25%

Amounts presented were determined as of the end of the fiscal year. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

LINCOLN PARISH POLICE JURY
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2018	2019	2020
Total OPEB Liability			
Service cost	\$ 107,025	\$ 86,290	\$ 199,192
Interest	214,806	235,069	194,589
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(123,539)	352,534	(1,731,306)
Changes of assumptions	(432,299)	919,309	2,386,131
Benefit payments	<u>(266,603)</u>	<u>(281,266)</u>	<u>(250,002)</u>
Net change in total OPEB liability	(500,610)	1,311,935	798,604
Total OPEB liability - beginning	<u>7,159,403</u>	<u>6,658,793</u>	<u>7,002,183</u>
Total OPEB liability - ending (a)	<u>\$ 6,658,793</u>	<u>\$ 7,970,728</u>	<u>\$ 7,800,787</u>
Covered-employee payroll	\$ 3,217,251	\$ 3,313,769	\$ 3,188,556
Net OPEB liability as a percentage of covered-employee payroll	206.97%	240.53%	244.65%
Notes to Schedule:			
<i>Benefit Changes:</i>	None	None	None
<i>Changes of Assumptions:</i>			
<i>Discount Rate:</i>	4.10%	2.74%	2.12%

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

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2020

NONMAJOR SPECIAL REVENUE FUNDS

Special Road Fund

The Special Road Fund accounts for the operation of the Lincoln Parish Highway Department, other than materials and personal services. Financing is provided by state appropriations, parish royalty road funds and interest earned on time deposits and operating transfers from other road funds.

Solid Waste Funds

The Solid Waste Disposal fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of a parish sanitary landfill. The Solid Waste Collection Fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of refuse collection sites within the parish.

Solid Waste Equipment Reserve Funds

The Solid Waste Equipment Reserve Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for both the solid waste collection system and the sanitary landfill facility. Financing is provided by transfers from the Solid Waste Collection Fund and the Solid Waste Disposal Fund, based on amortization of equipment used in the two operations and from interest earned on time deposits.

Criminal Court Fund

The Criminal Court Fund is used to account for the operations of the Third Judicial District Criminal Court in Lincoln Parish. Financing is provided from fines, forfeitures and court costs as provided by applicable Louisiana Revised Statutes. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

Law Enforcement Witness Fee Fund

The Law Enforcement Witness Fee Fund is used for the payment of witness fees to off-duty law enforcement officers who in their official capacity are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases.

Juvenile Assistance Fund

The Juvenile Assistance Fund accounts for the operations of a counseling program for juvenile offenders. Financing is provided through grants from the Lincoln Parish Police Jury, Union Parish Police Jury and the City of Ruston.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES (CONTINUED)
DECEMBER 31, 2020

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Health Unit Fund

The Health Unit Fund accounts for a portion of the maintenance and operations of the parish health unit. Financing is provided by grants from the Lincoln Parish School Board, the City of Ruston, operating transfers from the General Fund and interest earned on bank deposits.

Section 8 Housing Fund

The Section 8 Housing Fund is used to account for rental assistance funds for low-income families. Financing is provided by grants from the United States Department of Housing and Urban Development.

Sewer Fund

The Sewer Fund is used to account for the operations of the Blueberry Hill sewer system. Financing is provided by user fees.

Sewer Equipment Replacement Fund

The Sewer Equipment Replacement Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for the sewer fund.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

	Special Road Fund	Solid Waste Collection Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Cash and Cash Equivalents	\$ 455,176	\$ 2,299,495	\$ 470,859	\$ 186,129
Investments	842,626	1,099,473	1,794,906	-
Receivables	-	-	-	29,477
Due From Other Governments	1,511	-	-	-
Due From Other Funds	9,254	295,655	477,497	51,535
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,308,567</u>	<u>\$ 3,694,623</u>	<u>\$ 2,743,262</u>	<u>\$ 267,141</u>
Liabilities and Fund Equity:				
Liabilities:				
Accounts Payable	\$ 39,320	\$ 6,208	\$ -	\$ 91,237
Due to Other Governments	-	-	-	45
Due to Other Funds	126,287	62,364	78,397	170,696
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	165,607	68,572	78,397	261,978
Fund Equity:				
Fund Balances:				
Restricted	-	-	-	-
Assigned	1,142,960	3,626,051	2,664,865	5,163
Unassigned	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Equity	1,142,960	3,626,051	2,664,865	5,163
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,308,567</u>	<u>\$ 3,694,623</u>	<u>\$ 2,743,262</u>	<u>\$ 267,141</u>

Law Enforcement Witness Fee Fund	Sewer Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund Equipment Replacement	Totals
\$ 39,088	\$ 66,601	\$ 3,645	\$ 88,153	\$ 470,692	\$ 92,340	\$ 4,172,178
-	-	-	-	-	-	3,737,005
-	7,573	-	833	-	-	37,883
87	-	-	-	-	-	1,598
-	14,610	-	55,500	-	-	904,051
<u>\$ 39,175</u>	<u>\$ 88,784</u>	<u>\$ 3,645</u>	<u>\$ 144,486</u>	<u>\$ 470,692</u>	<u>\$ 92,340</u>	<u>\$ 8,852,715</u>
\$ -	\$ 331	\$ -	\$ -	\$ -	\$ -	\$ 137,096
-	-	-	-	8,302	-	8,347
4,710	515	-	10,493	519	11,159	465,140
4,710	846	-	10,493	8,821	11,159	610,583
-	-	-	-	461,871	-	461,871
34,465	87,938	3,645	133,993	-	81,181	7,780,261
-	-	-	-	-	-	-
<u>34,465</u>	<u>87,938</u>	<u>3,645</u>	<u>133,993</u>	<u>461,871</u>	<u>81,181</u>	<u>8,242,132</u>
<u>\$ 39,175</u>	<u>\$ 88,784</u>	<u>\$ 3,645</u>	<u>\$ 144,486</u>	<u>\$ 470,692</u>	<u>\$ 92,340</u>	<u>\$ 8,852,715</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Road Fund	Solid Waste Collection Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
Revenues:				
Intergovernmental Revenues:				
Federal Funds:				
Federal Grants	\$ -	\$ -	\$ -	\$ -
State Funds:				
Parish Transportation Funds	497,072	-	-	-
Grants - Other Local Agencies	-	-	-	-
Fees, Charges and Commission for Services	-	-	-	-
Fines and Forfeitures	-	-	-	441,415
Use of Money and Property	-	-	-	-
Interest Earnings and Rents	14,816	88,240	27,595	54
Other Revenues	22,979	16,430	-	-
Total Revenues	<u>534,867</u>	<u>104,670</u>	<u>27,595</u>	<u>441,469</u>
Expenditures:				
General Government:				
Judicial	-	-	-	431,803
Public Works	342,587	904,146	1,274	-
Health and welfare	-	-	-	-
Capital Outlay	29,806	-	111,147	-
Total Expenditures	<u>372,393</u>	<u>904,146</u>	<u>112,421</u>	<u>431,803</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>162,474</u>	<u>(799,476)</u>	<u>(84,826)</u>	<u>9,666</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	899,196	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>899,196</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	162,474	99,720	(84,826)	9,666
Fund Balances, Beginning (restated)	<u>980,486</u>	<u>3,526,331</u>	<u>2,749,691</u>	<u>(4,503)</u>
Fund Balances, Ending	<u>\$ 1,142,960</u>	<u>\$ 3,626,051</u>	<u>\$ 2,664,865</u>	<u>\$ 5,163</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

Law Enforcement Witness Fee Fund	Sewer Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund Equipment Replacement	Totals
\$ -	\$ -	\$ -	\$ -	\$ 593,318	\$ -	\$ 593,318
-	-	-	-	-	-	497,072
-	-	-	5,000	-	-	5,000
-	93,403	-	-	-	-	93,403
5,362	-	-	-	-	-	446,777
-	-	-	-	-	-	-
31	-	-	133	327	-	131,196
-	-	3	-	-	-	39,412
<u>5,393</u>	<u>93,403</u>	<u>3</u>	<u>5,133</u>	<u>593,645</u>	<u>-</u>	<u>1,806,178</u>
100	-	-	-	-	-	431,903
-	116,655	-	-	-	-	1,364,662
-	-	-	16,006	606,539	-	622,545
-	-	-	-	-	-	140,953
<u>100</u>	<u>116,655</u>	<u>-</u>	<u>16,006</u>	<u>606,539</u>	<u>-</u>	<u>2,560,063</u>
<u>5,293</u>	<u>(23,252)</u>	<u>3</u>	<u>(10,873)</u>	<u>(12,894)</u>	<u>-</u>	<u>(753,885)</u>
-	-	-	18,500	-	-	917,696
-	-	-	-	-	-	-
-	-	-	18,500	-	-	917,696
5,293	(23,252)	3	7,627	(12,894)	-	163,811
<u>29,172</u>	<u>111,190</u>	<u>3,642</u>	<u>126,366</u>	<u>474,765</u>	<u>81,181</u>	<u>8,078,321</u>
<u>\$ 34,465</u>	<u>\$ 87,938</u>	<u>\$ 3,645</u>	<u>\$ 133,993</u>	<u>\$ 461,871</u>	<u>\$ 81,181</u>	<u>\$ 8,242,132</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2020

NONMAJOR CAPITAL PROJECTS FUNDS

Park and Recreation Fund

The Park and Recreation Fund is used to account for the development and operation of a parish-wide park system. Financing is provided primarily by operating transfers from the General Fund and self-generated revenues from entrance fees and shelter rentals.

Courthouse Capital Projects Fund

The Courthouse Capital Projects Fund is used to account for infrastructure repairs and improvements. Financing is provided primarily by operating transfers from the General Fund.

North Louisiana Exhibition Center Fund

The North Louisiana Exhibition Center Fund is used to account for the development and operation of an exhibition center for livestock shows. Financing is provided primarily by donations and self-generated revenues from entry fees.

Bridge Replacement and Road Improvement Fund

The Bridge Replacement and Road Improvement Fund was created to account for the replacement of bridges and improvements to roads throughout the parish as set forth in the Capital Improvement Program. It is funded from one-half of the interest proceeds from the Hospital Proceeds Investment Fund.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2020

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Assets:			
Cash and Cash Equivalents	\$ 586,894	\$ 319,829	\$ 134,406
Investments	17,777	-	-
Receivables	17,620	-	312
Due From Other Entities	937	13,271	-
Due From Other Funds	105,792	1,312,996	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 729,020</u>	<u>\$ 1,646,096</u>	<u>\$ 134,718</u>
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$ 12,427	\$ 66,276	\$ 2,132
Due to Other Funds	162,722	302,441	65,542
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>175,149</u>	<u>368,717</u>	<u>67,674</u>
Fund Equity:			
Fund Balances:			
Assigned	553,871	- 1,277,379	67,044
	<u> </u>	<u> </u>	<u> </u>
Total Fund Equity	<u>553,871</u>	<u>1,277,379</u>	<u>67,044</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 729,020</u>	<u>\$ 1,646,096</u>	<u>\$ 134,718</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2020

LCDBG Arthur Rd. Lift Station Fund	Detention Center Dormitory Expansion Fund	Bridge Replacement Fund	Totals
\$ -	\$ 50,992	\$ -	\$ 1,092,121
-	-	-	17,777
-	-	-	17,932
-	-	-	14,208
-	-	1,924,470	3,343,258
<u>\$ -</u>	<u>\$ 50,992</u>	<u>\$ 1,924,470</u>	<u>\$ 4,485,296</u>
\$ -	\$ -	\$ -	\$ 80,835
-	605,256	942,202	2,078,163
-	605,256	942,202	2,158,998
-	(554,264)	982,268	2,326,298
-	(554,264)	982,268	2,326,298
<u>\$ -</u>	<u>\$ 50,992</u>	<u>\$ 1,924,470</u>	<u>\$ 4,485,296</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund
Revenues:			
Grants	\$ 7,500	\$ -	\$ -
Other Taxes, Penalties and Interest, etc.	-	-	-
Use of Money and Property -			
Interest and Rent	504,567	2,636	-
Other Fees and Charges	54,628	-	163,367
Total Revenues	<u>566,695</u>	<u>2,636</u>	<u>163,367</u>
Expenditures:			
Operating Services:			
General Government	-	3,880	-
Culture and Recreation	567,979	-	147,676
Capital Outlay	17,386	440,654	15,233
Total Expenditures	<u>585,365</u>	<u>444,534</u>	<u>162,909</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,670)</u>	<u>(441,898)</u>	<u>458</u>
Other Financing Sources (Uses):			
Proceeds from Borrowing	-	-	-
Operating Transfers In	50,000	29,235	-
Operating Transfers (Out)	-	-	-
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>29,235</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	31,330	(412,663)	458
Fund Balance, Beginning	<u>522,541</u>	<u>1,690,042</u>	<u>66,586</u>
Fund Balance, Ending	<u><u>\$ 553,871</u></u>	<u><u>\$ 1,277,379</u></u>	<u><u>\$ 67,044</u></u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES (Continued)
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

LCDBG Arthur Rd. Lift Station Fund	Detention Center Dormitory Expansion Fund	Bridge Replacement Fund	Totals
\$ -	\$ -	\$ -	\$ 7,500
-	-	-	-
-	-	-	507,203
-	-	-	217,995
-	-	-	732,698
-	28,619	582,103	614,602
-	-	-	715,655
192,000	1,580,327	-	2,245,600
192,000 -	1,608,946	582,103	3,575,857
(192,000) -	(1,608,946)	(582,103)	(2,843,159)
-	1,054,682	-	1,054,682
-	-	1,660,000	1,739,235
-	-	-	-
-	1,054,682	1,660,000.00	2,793,917
(192,000)	(554,264)	1,077,897	(49,242)
192,000	-	(95,629)	2,375,540
-	\$ (554,264)	\$ 982,268	\$ 2,326,298

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	Total
ASSETS			
Cash	\$ 360,700	\$ 149,293	\$ 509,993
Accounts Receivable	251,083	-	251,083
Due From Other funds	2,995	-	2,995
TOTAL ASSETS	\$ 614,778	\$ 149,293	\$ 764,071
LIABILITIES			
Liabilities Due to Other Funds	\$ 416,962	\$ 122,194	\$ 539,156
FUND BALANCE			
Assigned	197,816	27,099	224,915
TOTAL LIABILITIES AND FUND BALANCE	\$ 614,778	\$ 149,293	\$ 764,071

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	Total
Revenues:			
Taxes:			
Ad Valorem	\$ 265,698	\$ -	\$ 265,698
Rent Income	-	134,277	134,277
Use of Money and Property			
Interest Earnings	292	83	375
Total Revenues	<u>265,990</u>	<u>134,360</u>	<u>400,350</u>
Expenditures:			
Principal Payments	404,000	-	404,000
Interest Payments	12,458	-	12,458
Miscellaneous	8,071	137,960	146,031
Paying Agent Fees	450	-	450
Total Expenditures	<u>424,979</u>	<u>137,960</u>	<u>562,939</u>
Excess (Deficiency) of Revenues Over Expenditures	(158,989)	(3,600)	(162,589)
Other Financing Sources			
Transfer In	-	-	-
Excess of Revenues and Other Sources over Expenditures	(158,989)	(3,600)	(162,589)
Fund Balance, Beginning	<u>356,805</u>	<u>30,699</u>	<u>387,504</u>
Fund Balance, Ending	<u>\$ 197,816</u>	<u>\$ 27,099</u>	<u>\$ 224,915</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2020

	Joseph Henderson Police Juror President	Richard Durrett Police Juror	Thomas Cranford Police Juror	Hazel Hunter Police Juror	Sharyon Mayfield Police Juror
Purpose:					
Salary	\$ 11,654	\$ 1,254	\$ 10,133	\$ 10,500	\$ 10,500
Benefits - Insurance	-	-	-	-	-
Benefits - Retirement	-	-	-	-	-
Benefits - Dental	-	-	-	-	-
TOTAL	<u>\$ 11,654</u>	<u>\$ 1,254</u>	<u>\$ 10,133</u>	<u>\$ 10,500</u>	<u>\$ 10,500</u>

Skip Russell Police Juror	Annette Straughter Police Juror	Theresa Wyatt Police Juror	Logan Hunt Police Juror	Matthew Pullin Police Juror	Glenn Scriber Police Juror	C O N T I N U E D
\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,133	\$ 10,133	\$ 10,133	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 10,500</u>	<u>\$ 10,500</u>	<u>\$ 10,500</u>	<u>\$ 10,133</u>	<u>\$ 10,133</u>	<u>\$ 10,133</u>	

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2020

	Milton Melton Police Juror	Doug Postel Parish Administrator	Chris Hyde Former Parish Treasurer
	<u> </u>	<u> </u>	<u> </u>
Purpose:			
Salary	\$ 10,133	\$ 54,507	\$ 50,768
Benefits - Insurance	-	4,470	7,315
Benefits - Retirement	-	6,625	6,219
Benefits - Dental	-	169	276
	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$ 10,133</u>	<u>\$ 65,771</u>	<u>\$ 64,578</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
DECEMBER 31, 2020

	First Six Month Period Ended <u>6/30/2020</u>	Second Six Month Period Ended <u>12/31/2020</u>
Receipts From:		
Lincoln Parish Sheriff - Criminal Fines	233,642	174,934
Lincoln Parish Sheriff - Bond Forfeitures	8,707	24,132
Interest on Collected Balances	23	31
Total Receipts	<u>\$ 242,372</u>	<u>\$ 199,097</u>

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
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INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Lincoln Parish Police Jury
Ruston, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincoln Parish Police Jury (which is the “Police Jury” as well as “the primary government”), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury’s primary government financial statements, and have issued my report thereon dated September 27, 2021.

Internal Control Over Financial Reporting

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

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

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

Lincoln Parish Police Jury
Ruston, Louisiana

Compliance and Other Matters

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

Purpose of this Report

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

This report is intended for the use of management of the Lincoln Parish Police Jury and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY (APAC)
Certified Public Accountant



September 27, 2021

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2020-1 Bank Statements not Reconciled

Condition:

As of December 31, 2020, the bank statements had not been reconciled since March 2020, including the main operating account which is the pooled cash account for several of the Police Jury's major funds.

Criteria:

All bank accounts should be reconciled monthly to prepare accurate financial information for management and the Police Jurors.

Cause:

It is the responsibility of Treasurer's office to reconcile all bank accounts, including the main operating account. These procedures were not performed in accordance with the above criteria.

Effect:

Unreconciled bank statements result in incomplete financial information and also irregularities could occur and not be detected in a timely manner.

Recommendation:

I recommend all bank accounts be reconciled monthly and reviewed by a responsible official.

Managements Response:

Management understands the importance of reconciling all cash accounts within 30 days of the prior month end. New procedures have been implemented in 2021 to ensure this process is improved, and a member of the Finance Committee will review the bank reconciliations each month.

2020-2 Payroll Fund Transfers were not Reconciled/Payroll Cash Transfers were not Recorded

Condition:

The biweekly payroll transfers were not reconciled since May 2020. Also, the payroll transfers were not recorded since May 2020.

Criteria:

The payroll transfers should be recorded each time the payroll is paid in each fund. Also, the payroll bank account should be reconciled monthly to ensure that irregularities can be identified on a timely basis. Both of these criteria are necessary to provide accurate financial information to management and to the Police Jurors.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2020-2 Payroll Fund Transfers were not Reconciled/Payroll Cash Transfers were not Recorded-continued

Cause:

It is the responsibility of the Treasurer's office to reconcile all bank accounts, including the payroll account. These procedures were not performed in accordance with the criteria above.

Effect:

Both of these conditions resulted in incomplete and inaccurate financial information to be provided to management and the Police Jurors.

Recommendation:

I recommend the payroll transfers and bank account be reconciled monthly to ensure its accuracy and be reviewed by a responsible official.

Management's Response:

Management understands the importance of reconciling the payroll account within 30 days of the prior month end. New procedures have been implemented in 2021 to ensure this process is improved, and the Parish Administrator will review the payroll bank reconciliation to ensure all transactions have been recorded timely.

2020-3 Prior Year Audit Adjustments Not Recorded

Condition:

During the 2020 year end audit, it was noted that the prior year audit adjustments had not been recorded.

Criteria:

One of the Treasurer's duties is to record all audit adjustments as of the year end and to ensure the adjusted amounts reconcile to the audited amounts.

Cause:

No prior year audit adjustments were posted to the books in 2020.

Effect:

By not recording the audit adjustments at year end, the balance sheet accounts adjusted in the audit are not correct going into the next year. This resulted in inaccurate financial information being provided to be able to make accurate financial decisions. i.e. budgeting.

Recommendation:

It is recommended that all audit adjustments be recorded as soon as they are available from the auditor.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2020-3 Prior Year Audit Adjustments Not Recorded – continued

Management’s Response:

Management understands the importance of recording an audit entries in a timely manner. The Police Jury has contracted with a CPA to review the books monthly to ensure these types of issues are corrected in the future.

2020-4 Timely Deposits Not Made

Condition:

Numerous cash and checks were held in the Police Jury offices and not deposited for several weeks after receipt. In addition, multiple deposits were made with no backup or receipt. Cash was also deposited without the evidence of a count sheet.

Criteria:

The Police Jury’s internal control policy states that any cash received is to be deposited within one business day of receipt.

Cause:

The Treasurer’s office failed to make timely deposits in accordance with the above criteria.

Effect:

By not making timely deposits, some deposits, especially cash, could be lost due to intentional or unintentional irregularities. By not using cash count sheets, incorrect deposits could be made, intentionally or unintentionally.

Recommendation:

I recommend all deposits be made in a timely manner according to the Police Jury policy. Records should be maintained on all deposits made. Also, all cash deposits should be supported by a cash count sheet signed off by two employees.

Management’s Recommendation:

Management understands the importance of making timely cash deposits. New procedures have been implemented in 2021 that will strictly adhere to the Police Jury’s policy regarding the handling of cash receipts.

2020-5 Circumventing of Purchasing Policy

Condition:

During the audit, it was noted that the Treasurer’s office made purchases for office supplies and small office equipment circumventing the Purchasing department’s procedures. In several instances these purchased items were shipped to an address other than the Police Jury. The treasurer’s office purchased new office furniture without getting the approval of the Purchasing Director.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2020-5 Circumventing of Purchasing Policy – continued

Criteria:

The Police Jury's internal control policy regarding purchasing is that all purchases are made by the Director of Purchasing.

Cause:

Purchasing policies were disregarded

Effect:

By disregarding the purchasing policy unauthorized purchases can be made and delivered to a location other than the Police Jury.

Recommendation:

I recommend that the Police Jury's purchasing policy be followed.

Management's Response:

Management understands the importance of adhering to the Parish Purchasing Policy. All employees have been given another copy of the policy, and have been reminded of the importance of following all Parish policies.

2020-6 Sales Tax Not Remitted to Taxing Body/Sales Tax Reports Not Remitted

Condition:

During the audit, it was noted that sales taxes collected on the revenue from RV spots had not been submitted nor had the sales tax reports been prepared since October 2020.

Criteria:

Sales tax collected on sales to the public are required to be submitted monthly to the Parish Sales Tax department, along with completed sales tax reports.

Cause:

The Treasurer's office failed to submit sales taxes collected and sales tax reports to the Parish Sales Tax department since October 2020.

Effect:

By not submitting collected sales tax to the Parish Sales Tax department, the Policy Jury is in violation of local sales tax ordinances and could be subject to penalties.

Recommendation:

I recommend that the Police Jury remit all sales tax collected to the Parish Sales Tax department monthly, along with completed sales tax reports.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2020-6 Sales Tax Not Remitted to Taxing Body/Sales Tax Reports Not Remitted - continued

Management's Response:

Management understands the importance of compliance with local and state agencies regarding the timely filing of sales taxes owed. The forms and due dates have been reviewed with current staff to prevent this issue going forward.

2020-7 Rural Development Funding

Condition:

Funding from Rural Development for construction of the Detention Center Dormitory was delayed due to the annual certification process through the System of Awards Management not being performed.

Criteria:

Rural Development has rules and regulations (such as annual certification) in place to ensure funding is spent properly and according to its policies.

Cause:

The proper procedures per the criteria set above were not followed.

Effect:

No annual certifications and making payments timely endangered the project from being completed and also put the Police Jury out of compliance with Rural Development policies and procedures.

Recommendation:

Adhere to the policy and procedures set forth by the Rural Development Department

Management's Response:

Management understands the importance of timely vendor payments. The payments to vendors for this project have been reconciled to the records provided by Rural Development.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

Internal Control and Compliance Material to Federal Awards

There were no findings for this category.

Internal Control and Compliance Material to the Financial Statements

There were no findings for this category.

Management Letter

There were no findings for this category.