

**West Baton Rouge Parish Council
Port Allen, Louisiana
Financial Report
December 31, 2019**

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Independent Auditor's Report

To the Honorable Riley Berthelot, Jr., Parish President, and Council of
West Baton Rouge Parish
Port Allen, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, fiduciary fund, and the aggregate remaining fund information of West Baton Rouge Parish Council ("the Parish Council"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Parish Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Parish Council'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 Parish Council's primary government unless the Parish Council also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish Council has not issued such reporting entity financial statements. It is not practical to quantify the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units that would have been presented.

Adverse Opinion on Aggregate Discretely Presented Component Units

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, fiduciary fund, and the aggregate remaining fund information of the Parish Council, as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in total OPEB liability and related ratios, schedule of proportionate share of net pension liability (asset), schedule of employer contributions, and budgetary comparison information on pages 7 – 14 and 59 – 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish Council's basic financial statements. The combining and individual nonmajor fund financial statements, accompanying budgetary schedules, schedules of capital assets used in the operations of governmental funds, and schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2020, on our consideration of the Parish Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Parish Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Parish Council's internal control over financial reporting and compliance.

Hawthorn, Waymouth & Carroll, L.L.P.

September 28, 2020

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

INTRODUCTION

Management's Discussion and Analysis provides a narrative discussion of West Baton Rouge Parish Council's ("the Parish Council") financial activity as a whole for the year ended December 31, 2019 with comparisons to prior years, where appropriate. The information complements the data presented in the basic financial statements. We encourage readers to consider the information presented here in conjunction with information in the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The Parish Council's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2019 by \$90,726,359 (net position). Of this amount, \$21,857,017 (unrestricted net position) may be used to meet the Parish Council's ongoing obligations to its citizens and creditors.
- The Parish Council's capital assets at December 31, 2019 include \$71,167,079 for infrastructure, roads, land, equipment, and buildings (net of depreciation).
- The Parish Council's total net position increased \$2,237,926 from the previous year's net position.
- At December 31, 2019, the Parish Council's governmental fund financial statements reported combined ending fund balances of \$40,219,383, an increase in total fund balance of \$2,826,717 from the previous year.
- The General Fund, the Parish Council's primary operating fund, reported an unassigned fund balance of \$16,060,798, which is an increase of \$1,142,066 from the unassigned fund balance of the previous year.

OVERVIEW

This discussion and analysis is intended to serve as an introduction to the Parish Council's financial statements. The Parish Council's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Parish Council's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the Parish Council's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Parish Council is improving or deteriorating.

The statement of activities presents information showing how the Parish Council's net position changed during the most recent fiscal year. Changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. accrued interest expenses, uncollected taxes).

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

OVERVIEW (Continued)

Government-wide financial statements. (Continued).

Both of these government-wide financial statements distinguish functions of the Parish Council that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Parish Council include legislative, judicial, elections, general government, public safety, roads, drainage, engineering, parks and recreation, health and welfare, and economic development.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Parish Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the calendar year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both governmental fund financial statements include a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Parish Council's programs, fiduciary funds are not reflected in the government-wide financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss changing financial position of the Parish Council as a whole.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Parish Council, assets exceeded liabilities by \$90,726,359 at the close of the calendar year.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table reflects the condensed statement of net position for 2019, with comparative figures from 2018:

**West Baton Rouge Parish Council
Condensed Statements of Net Position
December 31, 2019 and 2018**

	Governmental Activities			
	2019		2018	
Assets				
Current assets	\$ 52,627,856	43%	\$ 48,440,594	40%
Net pension asset	-	-	737,210	1%
Capital assets	<u>71,167,079</u>	<u>57%</u>	<u>70,157,634</u>	<u>59%</u>
Total assets	<u>123,794,935</u>	<u>100%</u>	<u>119,335,438</u>	<u>100%</u>
Deferred Outflows of Resources	<u>7,764,449</u>	<u>100%</u>	<u>1,614,264</u>	<u>100%</u>
Liabilities				
Current liabilities	1,483,136	5%	1,051,398	5%
Noncurrent liabilities	<u>27,644,419</u>	<u>95%</u>	<u>19,176,538</u>	<u>95%</u>
Total liabilities	<u>29,127,555</u>	<u>100%</u>	<u>20,227,936</u>	<u>100%</u>
Deferred Inflows of Resources	<u>11,705,470</u>	<u>100%</u>	<u>12,233,333</u>	<u>100%</u>
Net Position				
Net investment in capital assets	68,386,079	75%	67,104,634	76%
Restricted for:				
Debt service	369,598	-	404,250	-
Poydras endowment	113,665	-	115,781	-
Unrestricted	<u>21,857,017</u>	<u>25%</u>	<u>20,863,768</u>	<u>24%</u>
Total net position	<u>\$ 90,726,359</u>	<u>100%</u>	<u>\$ 88,488,433</u>	<u>100%</u>

The largest portion of the Parish Council's net position represents its investment in capital assets net of depreciation (i.e., land, buildings, infrastructure, and equipment) less any outstanding debt used to acquire those assets. The Parish Council uses these assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the Parish Council's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to extinguish these liabilities.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

An additional portion of the Parish Council's net position (less than 1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$21,857,017, may be used to meet the Parish Council's ongoing obligations to citizens and creditors.

External restrictions may be imposed by creditors (such as through debt covenants), grantors, contributors, or statutory laws or regulations of other governments or imposed by law through constitutional provisions or **enabling legislation**. Enabling legislation may include ordinances passed by the Parish Council, which require that revenues collected be **spent** for particular purposes. Some examples of these restrictions include revenues from sales taxes, correctional sales taxes, and ad valorem taxes collected for the health unit, community centers, drainage, and juvenile detention.

The following table reflects the condensed statement of activities for 2019, with comparative figures from 2018:

**West Baton Rouge Parish Council
Condensed Statements of Activities
Years Ended December 31, 2019 and 2018**

	Governmental Activities	
	2019	2018
Revenue		
Program Revenue		
Charges for services	\$ 2,893,545	\$ 2,873,208
Operating grants and contributions	5,530,313	6,143,569
Total program revenue	8,423,858	9,016,777
 General Revenue		
Taxes	23,239,113	21,986,084
Licenses and permits	985,439	960,010
Interest	898,476	624,806
Rent	16,600	16,600
Miscellaneous	394,775	244,420
Total general revenue	25,534,403	23,831,920
Total revenue	33,958,261	32,848,697

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**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statements of Activities (Continued)

	Governmental Activities	
	2019	2018
Expenses		
General government	\$ 8,431,966	\$ 7,063,640
Public safety	8,444,394	8,209,544
Public works	9,309,157	13,351,927
Culture and recreation	3,786,563	3,544,164
Health and welfare	1,256,486	1,243,077
Economic development	109,200	107,920
Urban housing	305,976	318,606
Interest and fiscal charges on long-term debt	<u>76,593</u>	<u>83,067</u>
Total expenses	<u>31,720,335</u>	<u>33,921,945</u>
 Change in Net Position	 2,237,926	 (1,073,248)
 Net Position		
Beginning of Year	<u>88,488,433</u>	<u>89,561,681</u>
End of Year	<u>\$ 90,726,359</u>	<u>\$ 88,488,433</u>

Governmental Activities

Governmental activities account for 100% of the Parish Council's net position. One of the major components of the total revenue collected by governmental activities is taxes. In 2019, taxes accounted for 91% of total general revenue. Of the total taxes, sales and use taxes accounted for 52%. The sales and use taxes are centrally collected and disbursed based on population. The Parish Council also has a ½% correctional sales tax which is included in the total taxes above. Ad valorem is the second largest tax revenue and accounted for 43% of total taxes. In 2019, property taxes were assessed at 23.47 mills for all governmental activities. The remainder of the general revenue is derived from licenses, interest, rent and miscellaneous revenue.

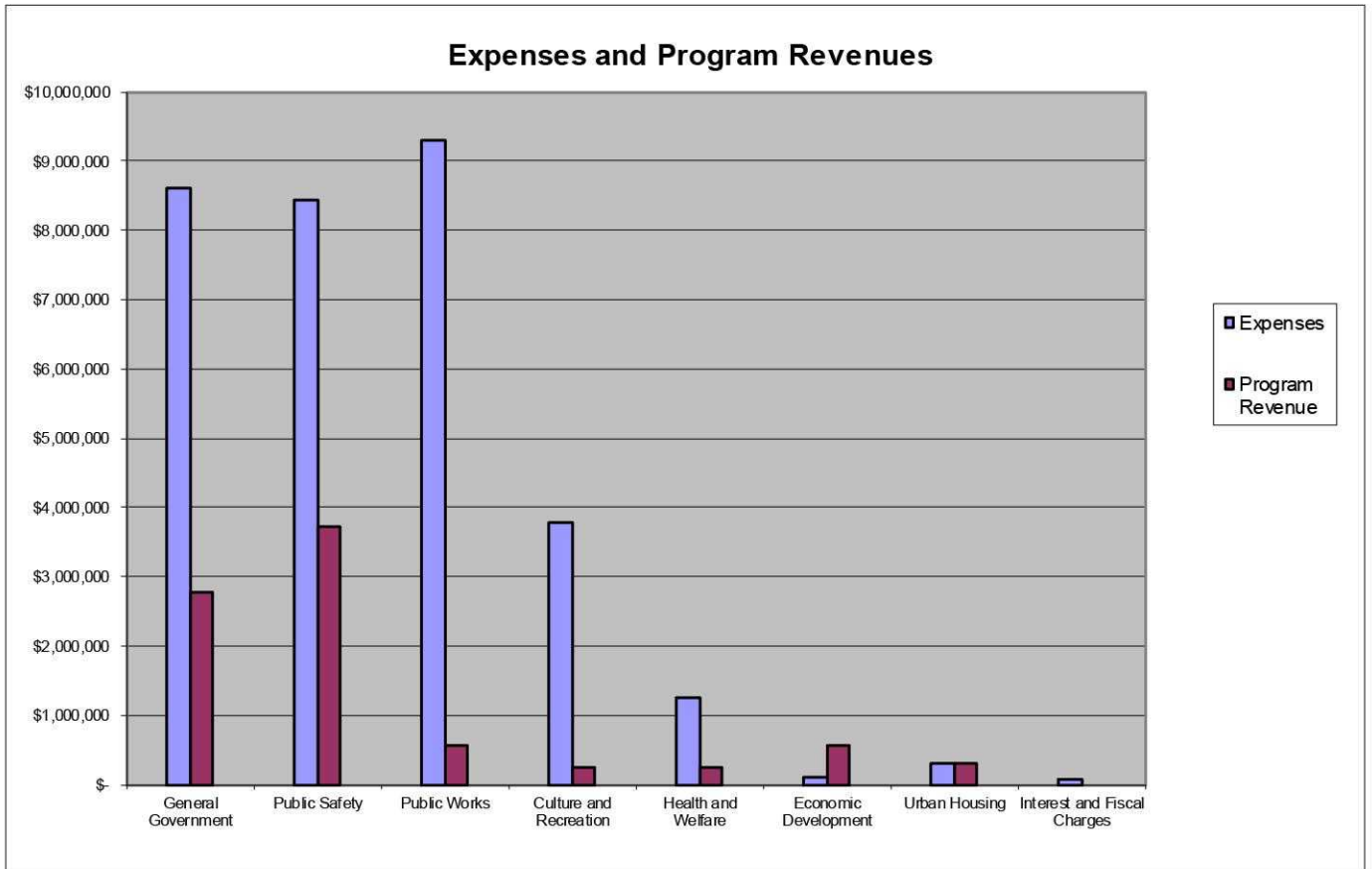
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**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

The following graph is a comparison of program revenues and program expenses for all governmental activities. This chart is intended to give the reader an idea of the degree to which governmental activities are self-supporting.



FINANCIAL ANALYSIS OF THE PARISH COUNCIL'S FUNDS

As noted earlier, the Parish Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish Council's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the calendar year.

The combined ending fund balance for all governmental funds at December 31, 2019 was \$40,219,383. Of this amount, \$16,060,798 was included in unassigned fund balance with \$10,147,985 in restricted fund balance, \$113,665 in nonspendable fund balance, \$13,055,209 in committed fund balance, and \$841,726 in assigned fund balance. The combined ending fund balance at the end of 2019 was a net increase of \$2,826,717 from the previous year.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

FINANCIAL ANALYSIS OF THE PARISH COUNCIL'S FUNDS (Continued)

General Fund Budgetary Highlights

Differences between the final budgeted revenues and the actual revenues were \$219,934 (increase in revenues) and can be briefly summarized as follows:

- Total taxes were \$713,598 over budget
- Total licenses and permits were \$122,717 over budget
- Total intergovernmental revenue was \$696,845 under budget
- Total charges for services were \$94,041 under budget
- All other revenues were \$174,505 over budget

Differences between the final budgeted expenses and the actual expenses were \$847,158 (decrease in expenses).

Capital Assets and Debt Administration

Capital assets: The Parish Council's investment in capital assets for its governmental activities as of December 31, 2019 amounts to \$71,167,079 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, infrastructure, and roads.

Major capital asset events during calendar year 2019:

- Road overlays and road reconstruction (\$3,978,396)
- Upgrades at all parks (\$209,000)
- Completed Sid Richardson Road construction [named Carrol Bourgeois Road] (\$2,751,907)
- Upgraded all Parish Community Centers (\$360,000)
- Installed culverts throughout the parish (\$163,000)
- Installed playground in Sugar Mill Subdivision in Addis (\$60,240)
- Completed construction on new building for Animal Control (\$139,400)
- Renovated courthouse building (\$67,800)

**West Baton Rouge Parish Capital Assets
Net of Depreciation**

	<u>2019</u>	<u>2018</u>
Land	\$ 1,760,826	\$ 1,760,826
Construction in Progress	195,302	2,038,527
Buildings	25,652,088	25,816,373
Equipment	3,946,426	3,699,138
Infrastructure	<u>39,612,437</u>	<u>36,842,770</u>
Total	<u>\$ 71,167,079</u>	<u>\$ 70,157,634</u>

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2019**

Capital Assets and Debt Administration (Continued)

Long-Term Debt: At the end of 2019, the Parish Council had total debt outstanding of \$2,781,000 compared to \$3,053,000 in the prior year. Of the total debt, there are five separate issuances. Four are secured by excess revenue, and one is secured by sales tax revenue.

Additional information explaining financial statement amounts is presented in the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

- Parochial retirement will increase for 2020 and will be at 12.25%, compared to 11.50% in 2019.
- The current Consumer Price Index has begun to stabilize after a decrease from the COVID-19 pandemic and is showing an increase each month that begins to reflect last year's numbers at **this time**.
- Sales taxes are currently exceeding budgeted **projections**.
- Ad valorem taxes have started a slight upward trend due to new construction.
- The Parish Council will continue to try to find ways to reduce operating expenditures without a **reduction** in service.

Request for Information

Questions concerning any of the information provided in this report or requests for information should be addressed to the Department of Finance, P.O. Box 757, Port Allen, Louisiana, 70767.

West Baton Rouge Parish Council
Statement of Net Position
December 31, 2019

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 14,350,553
Investments	25,954,355
Investments - restricted	108,000
Taxes receivable	9,970,195
Restricted cash and cash equivalents	221,245
Due from other governments	2,022,725
Other assets	783
Capital assets	
Non-depreciable	1,956,128
Depreciable, net	<u>69,210,951</u>
Total assets	<u>123,794,935</u>
 Deferred Outflows of Resources	
Resources related to net pension liability	4,082,209
Resources related to other postemployment benefit liability	<u>3,682,240</u>
Total deferred outflows of resources	<u>7,764,449</u>
 Liabilities	
Accounts payable	1,037,378
Accrued liabilities	445,758
Non-current liabilities	
Due within one year	578,000
Due in more than one year	<u>27,066,419</u>
Total liabilities	<u>29,127,555</u>
 Deferred Inflows of Resources	
Resources related to net pension liability	367,164
Resources related to other postemployment benefit liability	412,969
Grant advances	386,303
Unavailable revenue - property taxes	<u>10,539,034</u>
Total deferred inflows of resources	<u>11,705,470</u>
 Net Position	
Net investment in capital assets	68,386,079
Restricted for:	
Debt service	369,598
Poydras endowment	113,665
Unrestricted	<u>21,857,017</u>
Total net position	<u>\$ 90,726,359</u>

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

**West Baton Rouge Parish Council
Statement of Activities
Year Ended December 31, 2019**

Function/Program	Program Revenue			Net (Expense) Revenue and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions		
Governmental activities				
General government	\$ 8,431,966	\$ 2,686,386	\$ 79,780	\$ (5,665,800)
Public safety	8,444,394	-	3,732,102	(4,712,292)
Public works	9,309,157	-	573,644	(8,735,513)
Culture and recreation	3,786,563	207,159	28,026	(3,551,378)
Health and welfare	1,256,486	-	245,594	(1,010,892)
Economic development	109,200	-	562,889	453,689
Urban housing	305,976	-	308,278	2,302
Interest and fiscal charges on long-term debt	76,593	-	-	(76,593)
Total governmental activities	\$ 31,720,335	\$ 2,893,545	\$ 5,530,313	(23,296,477)
General Revenue				
Taxes				
Ad valorem				10,040,644
Sales and use				12,037,805
Video poker				1,134,448
Other				26,216
Licenses and permits				985,439
Interest				898,476
Rent				16,600
Miscellaneous				394,775
Total general revenue				25,534,403
Change in net position				2,237,926
Net Position				
Beginning of year				88,488,433
End of year				\$ 90,726,359

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

West Baton Rouge Parish Council
Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Drainage	Community Centers	Central Commun- ications
Assets				
Cash and cash equivalents	\$ 5,187,777	\$ 919,865	\$ 360,607	\$ 928,778
Investments	10,584,641	1,250,000	1,550,000	1,300,000
Investments - restricted	108,000	-	-	-
Taxes receivable	1,495,317	3,058,603	1,274,417	1,274,417
Restricted cash and cash equivalents	7,876	-	-	-
Due from other governments	911,169	3,758	3,115	2,552
Other assets	783	-	-	-
Total assets	<u>\$ 18,295,563</u>	<u>\$ 5,232,226</u>	<u>\$ 3,188,139</u>	<u>\$ 3,505,747</u>
Liabilities				
Accounts payable	\$ 306,411	\$ 200,790	\$ 58,102	\$ 20,552
Accrued liabilities	234,058	50,377	24,549	-
Total liabilities	<u>540,469</u>	<u>251,167</u>	<u>82,651</u>	<u>20,552</u>
Deferred Inflows of Resources				
Grant advances	-	-	-	-
Unavailable revenue - property taxes	1,580,631	3,233,108	1,347,128	1,347,128
Total deferred inflows of resources	<u>1,580,631</u>	<u>3,233,108</u>	<u>1,347,128</u>	<u>1,347,128</u>
Fund Balances				
Nonspendable	113,665	-	-	-
Restricted	-	1,747,951	1,758,360	2,138,067
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	16,060,798	-	-	-
Total fund balances	<u>16,174,463</u>	<u>1,747,951</u>	<u>1,758,360</u>	<u>2,138,067</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 18,295,563</u>	<u>\$ 5,232,226</u>	<u>\$ 3,188,139</u>	<u>\$ 3,505,747</u>

Correctional Facility	Recreation	Other Governmental Funds	Total
\$ 3,230,786	\$ 438,478	\$ 3,284,262	\$ 14,350,553
2,300,100	450,000	8,519,614	25,954,355
-	-	-	108,000
-	2,124,030	743,411	9,970,195
-	-	213,369	221,245
598,819	989	502,323	2,022,725
-	-	-	783
<u>\$ 6,129,705</u>	<u>\$ 3,013,497</u>	<u>\$ 13,262,979</u>	<u>\$ 52,627,856</u>
\$ 87,603	\$ 31,185	\$ 332,735	\$ 1,037,378
3,650	36,534	96,590	445,758
<u>91,253</u>	<u>67,719</u>	<u>429,325</u>	<u>1,483,136</u>
-	-	386,303	386,303
-	2,245,214	785,825	10,539,034
<u>-</u>	<u>2,245,214</u>	<u>1,172,128</u>	<u>10,925,337</u>
-	-	-	113,665
-	700,564	3,803,043	10,147,985
6,038,452	-	7,016,757	13,055,209
-	-	841,726	841,726
-	-	-	16,060,798
<u>6,038,452</u>	<u>700,564</u>	<u>11,661,526</u>	<u>40,219,383</u>
<u>\$ 6,129,705</u>	<u>\$ 3,013,497</u>	<u>\$ 13,262,979</u>	<u>\$ 52,627,856</u>

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

**West Baton Rouge Parish Council
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2019**

Total fund balances - governmental funds \$ 40,219,383

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:

Governmental capital assets	\$ 118,803,816	
Less accumulated depreciation	(47,636,737)	71,167,079

Certain long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to net pension liability	4,082,209	
Deferred outflows of resources related to other postemployment benefit liability	3,682,240	7,764,449

Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds payable	(1,390,000)	
Obligations payable	(1,391,000)	
Compensated absences payable	(385,867)	
Net pension liability	(4,647,023)	
Other postemployment benefit liability	(19,830,529)	
Deferred inflows of resources related to net pension liability	(367,164)	
Deferred inflows of resources related to other postemployment benefit liability	(412,969)	(28,424,552)

Total net position - governmental activities \$ 90,726,359

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

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balances
Governmental Funds
Year Ended December 31, 2019

	<u>General Fund</u>	<u>Drainage</u>	<u>Community Centers</u>	<u>Central Communi- cations</u>
Revenue				
Taxes	\$ 9,608,496	\$ 3,080,216	\$ 1,283,422	\$ 1,283,422
Licenses and permits	985,439	-	-	-
Intergovernmental	79,780	31,622	28,026	-
Charges for services	2,250,726	71,112	100,040	-
Fines and forfeitures	-	-	-	-
Interest	367,135	69,061	50,762	52,407
Rent	16,600	-	-	-
Miscellaneous	185,087	113,827	3,500	-
Total revenue	<u>13,493,263</u>	<u>3,365,838</u>	<u>1,465,750</u>	<u>1,335,829</u>
Expenditures				
Current				
General government				
Council	349,323	-	-	-
Finance and administration	1,661,270	-	-	-
Judicial	1,138,755	-	-	-
Elections	184,914	-	-	-
Government buildings	1,480,767	-	-	-
Planning and zoning	654,551	-	-	-
Public safety	426,357	-	-	1,022,199
Public works	2,077,405	2,691,033	-	-
Culture and recreation	-	-	1,162,627	-
Health and welfare	444,138	-	-	-
Economic development	109,200	-	-	-
Urban housing	-	-	-	-
Capital outlay	452,702	801,986	250,723	13,331
Debt service	-	-	-	-
Total expenditures	<u>8,979,382</u>	<u>3,493,019</u>	<u>1,413,350</u>	<u>1,035,530</u>
Excess (Deficiency) of Revenue over (under) Expenditures	<u>4,513,881</u>	<u>(127,181)</u>	<u>52,400</u>	<u>300,299</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	(3,373,931)	-	-	-
Total other financing sources (uses)	<u>(3,373,931)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,139,950	(127,181)	52,400	300,299
Fund Balances				
Beginning of year	15,034,513	1,875,132	1,705,960	1,837,768
End of year	<u>\$ 16,174,463</u>	<u>\$ 1,747,951</u>	<u>\$ 1,758,360</u>	<u>\$ 2,138,067</u>

Correctional Facility	Recreation	Other Governmental Funds	Total
\$ 3,961,407	\$ 2,139,038	\$ 1,883,112	\$ 23,239,113
-	-	-	985,439
3,244,877	-	2,146,008	5,530,313
-	107,119	105,606	2,634,603
-	-	258,942	258,942
72,488	31,137	255,486	898,476
-	-	-	16,600
22,705	5,625	64,031	394,775
<u>7,301,477</u>	<u>2,282,919</u>	<u>4,713,185</u>	<u>33,958,261</u>
-	-	-	349,323
-	-	-	1,661,270
-	-	164,502	1,303,257
-	-	-	184,914
-	-	-	1,480,767
-	-	-	654,551
6,081,128	-	518,060	8,047,744
-	-	2,298,099	7,066,537
-	1,893,319	577,069	3,633,015
-	-	778,377	1,222,515
-	-	-	109,200
-	-	305,976	305,976
148,310	128,197	2,968,633	4,763,882
-	-	348,593	348,593
<u>6,229,438</u>	<u>2,021,516</u>	<u>7,959,309</u>	<u>31,131,544</u>
<u>1,072,039</u>	<u>261,403</u>	<u>(3,246,124)</u>	<u>2,826,717</u>
-	-	4,458,821	4,458,821
-	(185,912)	(898,978)	(4,458,821)
-	(185,912)	3,559,843	-
1,072,039	75,491	313,719	2,826,717
<u>4,966,413</u>	<u>625,073</u>	<u>11,347,807</u>	<u>37,392,666</u>
<u>\$ 6,038,452</u>	<u>\$ 700,564</u>	<u>\$ 11,661,526</u>	<u>\$ 40,219,383</u>

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

West Baton Rouge Parish Council
Reconciliation of the Statement of Revenue, Expenditures, and Change
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2019

Net change in fund balances - governmental funds \$ 2,826,717

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

Governmental funds report capital outlay as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	\$ 4,763,882	
Depreciation expense	<u>(3,754,437)</u>	1,009,445

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

Change in:

Compensated absences	(18,579)	
Net pension asset	(737,210)	
Net pension liability	(4,373,352)	
Other postemployment benefit liability	(4,347,950)	
Deferred outflows of resources related to pensions	2,467,945	
Deferred outflows of resources related to other postemployment benefit liability	3,682,240	
Deferred inflows of resources related to pensions	1,869,639	
Deferred inflows of resources related to other postemployment benefit liability	(412,969)	
Bonds payable	<u>272,000</u>	<u>(1,598,236)</u>

Change in net position - governmental activities \$ 2,237,926

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

**West Baton Rouge Parish Council
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2019**

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	\$ <u>3,349,267</u>
Total assets	\$ <u>3,349,267</u>
Liabilities	
Unsettled deposits due to others	\$ <u>3,349,267</u>
Total liabilities	\$ <u>3,349,267</u>

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

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Introduction

West Baton Rouge Parish Council ("the Parish Council") is the governing authority for West Baton Rouge Parish ("the Parish") and is a political subdivision of the State of Louisiana. The Parish Council is governed by nine (9) council members representing the various districts within the Parish. The council members serve four-year terms.

Louisiana Revised Statute (R. S.) 33:1236 gives the Parish Council various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these 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, sales and use taxes, video poker, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

The Parish covers 215 square miles and has a population of approximately 26,500. The Parish Council maintains 135 miles of roads and has approximately 300 employees.

Note 1-Summary of Significant Accounting Policies

A. Reporting Entity

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

Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining the financial reporting entity and component units that should be included within the reporting entity. The basic criteria for including a potential component unit within the reporting entity are as follows:

1. Legal status of the potential component unit.
2. Financial accountability:
 - a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on the potential component unit (or)
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the primary government and the potential component unit.
4. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

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

West Baton Rouge Parish Library
West Baton Rouge Parish Council on Aging
West Baton Rouge Convention and Visitors Bureau
West Baton Rouge Parish Waterworks Districts No. 1, No. 2, and No. 4
West Baton Rouge Parish Public Utilities
West Baton Rouge Parish Museum
West Baton Rouge Parish Fire Protection District No. 1

All component units have a fiscal year ending December 31, except for the Council on Aging and Waterworks Districts No. 2 and No. 4, which have a June 30 year end. The criterion used for all component units is that the Parish Council appoints a majority of their board members. All component units are considered discrete.

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

The *Codification of Governmental Accounting and Financial Reporting Standards* provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (the Parish Council) 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 accounting principles generally accepted in the United States of America as applied to governmental units. These financial statements, which are not intended to and do not report on the reporting entity, are intended to reflect only the financial statements of the primary government (the Parish Council).

Considered in the determination of component units of the reporting entity were the West Baton Rouge Parish School Board and the various municipalities in the Parish. These governmental entities are not component units of the Parish Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Parish Council.

B. Basis of Presentation

The Parish Council's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major funds and combined non-major funds). These statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by GASB.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The government-wide financial statements consist of the statement of net position and the statement of activities to report information on all of the non-fiduciary activities of the primary government. The effects of **interfund activity** have been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items **not** properly included among program revenues are reported instead as general revenues. This includes **internally** dedicated resources such as restricted property taxes.

FUND FINANCIAL STATEMENTS:

Emphasis of fund financial reporting is on the major fund level. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

The accounts of the Parish Council are organized on the basis of individual funds, each of **which** is considered a separate accounting entity. The operations of each fund, both major and non-major, are **accounted** for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues, and **expenditures** or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based **upon** the purpose for which they are to be spent and the means by which spending activities are controlled. The **various** funds for the primary government are grouped into generic fund types.

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

General Fund - The General Fund is the primary operating fund of the Parish Council. The General Fund accounts for **all** financial resources except those required to be accounted for in other funds. The General Fund is always a **major fund**.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The five special revenue funds reported as major funds in the fund financial statements are as **follows**:

1. The Drainage Fund accounts for the operation and maintenance of all off-road drainage **projects**. Financing is provided by ad valorem taxes, severance taxes and state revenue sharing funds;
2. The Community Centers Fund accounts for **property taxes** used to fund operations for the community centers;
3. The Central Communications Fund provides centralized 911 dispatching for the Parish;
4. The Correctional Facility Fund accounts for operations of the Parish Correctional Facility; and

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS: (Continued)

Special Revenue Funds (Continued)

5. The Recreation Fund accounts for the operation, maintenance, and construction of the recreational parks in the Parish.

All other Special Revenue Funds are not considered major funds and are included in the column, "Other Governmental Funds."

Debt Service Funds - 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. There are no major debt service funds. Debt service funds are included in the column, "Other Governmental Funds."

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities. The Capital Projects Fund is not a major fund and is included in the column, "Other Governmental Funds."

Fiduciary Fund:

Agency Fund - The only fund accounted for in this category is the tax collector fund. The tax collector fund accounts for assets held by the Parish Council as an agent for various taxing bodies (tax collections). These funds, which are custodial in nature (assets equal liabilities), do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus but use the modified accrual basis of accounting.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources 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. Property taxes are recognized as revenue in the year for which they are budgeted. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

All governmental funds are accounted for using a current financial resources measurement focus. Generally, with this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available. The Parish Council defines "available" as expected to be received within sixty days of the end of the fiscal year.

Non-exchange transactions, in which the Parish Council receives value without directly giving value in return, include sales tax, property tax, special assessments, grants, entitlements, and donations. Sales taxes and gross receipts business taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special assessments are recognized as revenue only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

If measurable, expenditures are recognized in the accounting period in which the related fund liability is incurred except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments, group health claims, arbitrage payable, net pension obligation and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable, available financial resources. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

D. Cash and Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits, and interest-bearing demand deposits. It is the Parish Council's policy to include as cash equivalents amounts in time deposits and those investments with original maturities of 90 days or less.

Under state law, the Parish Council may invest in United States bonds, treasury notes or certificates, and mortgage backed securities. These 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. U.S. Government Agency Notes are stated at fair market value. Certificates of deposit are stated at cost.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

E. Restricted Cash and Cash Equivalents

Certain debt service and reserve funds are legally restricted as to purpose. These assets have been classified as restricted cash and cash equivalents on the Statement of Net Position since the use of these funds is limited by applicable bond resolutions.

F. Capital Assets

Capital assets, which include land and land improvements, buildings, equipment, and infrastructure assets (streets, roads, bridges, canals, and sewer and drainage systems) are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets purchased or acquired with a cost of \$5,000 or more per unit are capitalized.

All assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized upon completion of construction projects, at which point the project costs are moved from construction in progress to the respective capital asset account.

Depreciation on all capital assets, excluding land and land improvements and construction in progress, is calculated using the straight-line method over the following estimated useful lives:

<u>Type of Capital Assets</u>	<u>Number of Years</u>
Buildings and building improvements	40 years
Furniture	5 years
Machinery and equipment	5-6 years
Automobiles	5 years
Infrastructure	40 years

G. Revenue Susceptible to Accrual

Under the modified accrual basis of accounting, major revenues susceptible to accrual are sales taxes, property taxes, gross receipts business taxes, and certain state shared revenue such as tobacco tax, beer tax, and parish transportation funds. Since property tax levied in 2019 is recorded in the 2020 year, no allowance for doubtful accounts is recorded. Any adjustments will be made in the year collected.

H. Long-Term Debt

In the government-wide statement of net position, long-term debt and other long-term obligations are reported as non-current liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as expense in the year of the debt issuance. Bond premiums, discounts, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount, if the amounts are deemed material. Gains (losses) on refunding are reported as deferred outflows/inflows of resources.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

H. Long-Term Debt (Continued)

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial period. The face amount of the debt issue is reported as "Other Financing Sources." Premiums received on debt issuances are reported as "Other Financing Sources," and discounts on debt issuances are reported as "Other Financing Uses."

Excess revenue contracts, loans, and notes are obligations of the general government, and payment of these debts is normally provided by transfers from the General Fund to the various debt service funds.

Sales tax revenue bonds are secured by sales tax revenues. Payment of the debt is provided by sales tax revenue recognized in the appropriate debt service fund.

I. Compensated Absences

Employees hired before January 1, 2013 earn vacation in varying amounts according to years of service as follows:

<u>Years of Service</u>	<u>Vacation Earned</u>
0 - 4	10 days/year
5 - 14	15 days/year
15 - 19	20 days/year
Over 20	25 days/year

Employees hired on or after January 1, 2013 earn vacation in varying amounts according to years of service as follows:

<u>Years of Service</u>	<u>Vacation Earned</u>
0 - 4	10 days/year
5 - 14	15 days/year
Over 15	20 days/year

Employees accrue eight hours of sick leave for each month of service. There is no maximum on accumulated sick leave.

Employees may accumulate vacation and sick leave time without limitations; however only vacation leave is payable upon resignation, discharge, death, retirement or removal due to reduction in force. Payment for vacation leave is limited to 320 hours under all circumstances. If an employee works to retirement eligibility, the accumulated unused sick leave is combined with vacation leave to apply toward retirement years.

In the government-wide financial statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, no compensated absences liability is recorded in the governmental fund-type fund financial statements.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

J. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from Other Funds" or "Due to Other Funds" on the balance sheet and are not eliminated for financial statement purposes. Since all of the funds are governmental activities, these balances are eliminated in the government-wide financial statements.

K. Net Position

Net position represents the difference between assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources. *Net investment in capital assets* consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net position is reported as *restricted* when there are limitations imposed on its use by external parties such as creditors, grantors, laws or regulations of other governments.

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

L. Fund Balance

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable* - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- *Restricted* - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation;
- *Committed* - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- *Assigned* - amounts intended by a government to be used for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- *Unassigned* - amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Parish Council considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Parish Council has provided otherwise in its commitment or assignment action.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

L. Fund Balance (Continued)

The Parish Council establishes (and modifies or rescinds) fund balance commitments by passage of an **ordinance**. This is done through adoption and amendments of the budget. A fund balance commitment is further **documented** in the budget document as a designation or commitment of the fund (such as special incentives). Assigned **fund** balance is established by the Parish Council through adoption or amendment of the budget as intended for a **specific** purpose (such as the purchase of capital assets, construction, debt service, or for other **purposes**).

M. Deferred Outflows/Inflows of Resources

The statement of net position will often report a separate section for deferred outflows and/or deferred inflows of financial resources. *Deferred outflows* of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. *Deferred inflows* of resources represent an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

N. 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**. The estimates affect the **reported** amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the **financial statements**. They may also affect the reported amounts of revenue and expenses in the government-wide **financial** statements during the reporting period. Actual results could differ from these **estimates**.

Note 2-Cash and Cash Equivalents and Investments

A. Deposits with Financial Institutions

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

For deposits, custodial credit risk is the risk that, in the event of the failure **of the** counter-party, the Parish **Council** will not be able to recover the value of its investment or collateral securities that are in possession of an outside **party**. At December 31, 2019, the Parish Council's bank balances were fully insured and collateralized with securities held in the name of the Parish Council by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 2-Cash and Cash Equivalents and Investments (Continued)

B. Investments

The Parish Council is authorized by R.S. 39:1211-1245 and R.S. 33:2955 to invest temporarily idle monies in the following:

1. United States Treasury Bonds;
2. United States Treasury Notes;
3. United States Treasury Bills;
4. Obligations of U.S. Government Agencies, including such instruments as Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of Federal Farm Credit bonds;
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations;
6. Direct security repurchase agreements;
7. Fully collateralized interest-bearing checking accounts;
8. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies;
9. Any other investment allowed by state statute for local governments; and
10. Louisiana Asset Management Pool (LAMP).

At December 31, 2019, the Parish Council held investments as follows:

Money Market Funds	\$ 1,607,237
U.S. Government Agency Notes	347,018
Certificates of Deposit	<u>24,108,100</u>
	26,062,355
Less: restricted investments in certificates of deposit	<u>(108,000)</u>
 Total investments	 <u>\$ 25,954,355</u>

Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rate. One indicator of the measure of interest rate risk is the dispersion of maturity dates of debt instruments. The following table shows the Parish Council's domestic fixed-income investments and maturities in actively managed accounts at December 31, 2019.

At December 31, 2019, the Parish Council had the following investments and maturities:

<u>Type</u>	Maturities in Years				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
U.S. Government Agency Notes	\$ 347,018	\$ -	\$ 347,018	\$ -	\$ -
	<u>\$ 347,018</u>	<u>\$ -</u>	<u>\$ 347,018</u>	<u>\$ -</u>	<u>\$ -</u>

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 2-Cash and Cash Equivalents and Investments (Continued)

B. Investments (Continued)

Credit risk is defined as the risk that an issuer or other counter-party to an investment will not fulfill its obligation. The Parish Council's investment policy requires the application of the prudent-person rule. The policy states, "All investments made shall be with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The Parish Council's policy limits investments to the United States Treasury obligations by federal agencies, security repurchase agreements, certificates of deposit, and mutual or trust fund institutions.

The following table is provided for use in determining the Parish Council's level of exposure to credit risk at December 31, 2019:

<u>S&P Rating</u>	<u>Fair Value at 12/31/19</u>
AA+	<u>\$ 347,018</u>

C. Fair Value Measurements

The Parish Council categorizes fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The valuation technique uses a three-level hierarchy of inputs to measure the fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These qualifications are summarized as follows:

Level 1 Inputs: Quoted prices (unadjusted) for identical assets or liabilities in active markets that a reporting entity can access at the measurement date.

Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 Inputs: Unobservable inputs for an asset or liability.

In the event that inputs used to measure the fair value of an asset or liability fall into different levels in the fair value hierarchy, the overall level of the fair value hierarchy in its entirety is determined based on the lowest level of input that is significant to the entire valuation. These levels are not necessarily an indication of risk but are based upon the pricing transparency of the investment. In determining the appropriate levels, the Parish Council performed a detailed analysis of the assets and liabilities that are subject to GASB Statement No. 72.

Fair value of certain investments that do not have a readily determinable fair value are established using net asset value (or its equivalent) as a practical expedient. These investments are not categorized according to the fair value hierarchy.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 2-Cash and Cash Equivalents and Investments (Continued)

C. Fair Value Measurements (Continued)

The following table sets forth by level, the investments reported at fair value at December 31, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Money Market Funds	\$ 1,607,237	\$ -	\$ 1,607,237	\$ -
U.S. Government Agency Notes	<u>347,018</u>	<u>-</u>	<u>347,018</u>	<u>-</u>
Total investments by fair value level	<u>\$ 1,954,255</u>	<u>\$ -</u>	<u>\$ 1,954,255</u>	<u>\$ -</u>

Note 3-Property Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property, which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings be assessed at 10% of "use" value; and all other property be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years.

The Sheriff of the Parish, as provided by state law, is the official tax collector of property taxes levied by the Parish and the Parish's special districts. December tax collections remitted to the Parish Council by the Sheriff in January are reported as "Due from Other Governments."

The 2019 property tax calendar was as follows:

Millage rates adopted	June 13, 2019
Board of Review	September 26, 2019
Tax bills mailed	October 4, 2019
Due date and collections	December 31, 2019
Certified delinquent notice	March 16, 2020

Property taxes are recognized in the calendar year for which they are budgeted. Ad valorem taxes are levied on real property each year to finance the budget for the following year. The tax is due and becomes an enforceable lien on the property after being filed with the Louisiana Tax Commission by the West Baton Rouge Parish Assessor's office. The tax becomes delinquent on December 31. Taxes are billed and collected by the West Baton Rouge Parish Sheriff's Office.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 3-Property Taxes (Continued)

Therefore, 2018 property tax that was levied to finance the budget for 2019 is recorded as revenue for the 2019 fiscal year. The property taxes that are measurable, but not available, are recorded net of estimated uncollectible amounts. The 2019 tax levy, which was levied to finance the budget for 2020, is recorded net of adjustments, as deferred inflows of resources in the fund statements and government-wide statements.

The following is a summary of parish-wide authorized and levied ad valorem taxes for the year:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Primary Government, Parish-wide			
General Fund	3.52	3.52	None
Special Revenue Funds			
Health Unit	1.75	1.75	2026
Community Center	3.00	3.00	2020
Central Communications	3.00	3.00	None
Recreation	5.00	5.00	2025
Primary Government, District Drainage	7.20	7.20	2025

Note 4-Sales Taxes

West Baton Rouge Revenue Department collects taxes on behalf of other taxing authorities. Total collections for each jurisdiction may be different due to varying tax bases. Collections for 2019 were as follows:

		<u>Annual Totals - 2019 Tax Periods</u>		
		<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
1.00%	School Board	\$ 8,018,279	\$ 105,263	\$ 7,913,016
1.00%	West Baton Rouge Parish			
	WBR Parish Council	52.24% 4,188,460	54,986	4,133,474
	City of Port Allen	21.78% 1,746,037	22,922	1,723,115
	Town of Addis	15.10% 1,211,105	15,899	1,195,206
	Town of Brusly	10.88% 872,677	11,456	861,221
		<u>8,018,279</u>	<u>105,263</u>	<u>7,913,016</u>

(Continued)

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 4-Sales Taxes (Continued)

(Continued)

		Annual Totals - 2019 Tax Periods		
		Total	Collection	Final
		<u>Collections</u>	<u>Cost</u>	<u>Distribution</u>
1.00%	Sales Tax District			
	WBR Parish Council	49.73%	\$ 3,987,607	\$ 52,341
	City of Port Allen	18.90%	1,515,197	19,886
	Town of Addis	20.94%	1,679,141	22,059
	Town of Brusly	10.43%	836,334	10,977
			<u>8,018,279</u>	<u>105,263</u>
				<u>7,913,016</u>
0.50%	Fire Protection District		<u>3,454,445</u>	<u>52,631</u>
0.50%	Correctional Facilities		<u>4,009,140</u>	<u>52,631</u>
1.00%	Education Facilities District		<u>7,852,658</u>	<u>105,263</u>
0.50%	Riverview EDD		<u>6,013</u>	<u>180</u>
	Totals		<u>\$ 39,377,093</u>	<u>\$ 526,494</u>
				<u>\$ 38,850,599</u>

Note 5-Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance		Adjust-	Balance
	December 31,	Additions	ments and	December 31,
	<u>2018</u>		<u>Deletions</u>	<u>2019</u>
Capital assets not being depreciated:				
Land	\$ 1,760,826	\$ -	\$ -	\$ 1,760,826
Construction in progress	<u>2,038,527</u>	<u>195,302</u>	<u>(2,038,527)</u>	<u>195,302</u>
Total capital assets not being depreciated	<u>3,799,353</u>	<u>195,302</u>	<u>(2,038,527)</u>	<u>1,956,128</u>
Capital assets being depreciated:				
Buildings	43,569,794	875,554	-	44,445,348
Equipment	16,065,918	1,590,159	(554,819)	17,101,258
Infrastructure	<u>51,159,688</u>	<u>4,141,394</u>	<u>-</u>	<u>55,301,082</u>
Total capital assets being depreciated	<u>110,795,400</u>	<u>6,607,107</u>	<u>(554,819)</u>	<u>116,847,688</u>

(Continued)

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 5-Capital Assets (Continued)

	Balance December 31, <u>2018</u>	<u>Additions</u>	Adjust- ments and <u>Deletions</u>	Balance December 31, <u>2019</u>
Less accumulated depreciation for:				
Buildings	\$ (17,753,421)	\$ (1,039,839)	\$ -	\$ (18,793,260)
Equipment	(12,366,780)	(1,342,871)	554,819	(13,154,832)
Infrastructure	<u>(14,316,918)</u>	<u>(1,371,727)</u>	<u>-</u>	<u>(15,688,645)</u>
Total accumulated depreciation	<u>(44,437,119)</u>	<u>(3,754,437)</u>	<u>554,819</u>	<u>(47,636,737)</u>
Total capital assets being depreciated, net	<u>66,358,281</u>	<u>2,852,670</u>	<u>-</u>	<u>69,210,951</u>
Total capital assets	<u>\$ 70,157,634</u>	<u>\$ 3,047,972</u>	<u>\$ (2,038,527)</u>	<u>\$ 71,167,079</u>

Adjustments and deletions include infrastructure and assets either donated, traded or scrapped.

Depreciation expense was charged to functions of the primary government as follows:

Public Works	\$ 2,242,620
General Government	927,648
Public Safety	396,650
Health and Welfare	33,971
Culture and Recreation	<u>153,548</u>
Total depreciation expense - governmental activities	<u>\$ 3,754,437</u>

The Parish Council entered into various contracts in 2019 for a variety of improvements around the Parish. There was one major contract in progress at December 31, 2019 with approximately \$260,565 remaining to be expended.

Note 6-Pension Plans

The Parish Council's employees are provided with benefits through the following cost-sharing, multiple-employer, defined benefit pension plans:

- Parochial Employees' Retirement System of Louisiana ("PERS") provides retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish.
- The District Attorneys' Retirement System ("DARS") provides allowances and other benefits for district attorneys and their assistants in each parish.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

- The Registrar of Voters Employees' Retirement System of Louisiana ("ROVERS") provides retirement allowances and other benefits for registrars of voters, their deputies, and their permanent employees in each parish of the state of Louisiana.

Plan Descriptions

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

PERS is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. PERS was established and provided for by R.S. 11:1901.

PERS provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the state of Louisiana which does not have its own retirement system and which elects to become a member of PERS. The Parish Council participates in Plan A of PERS.

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

A. Eligibility Requirements

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours per week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS.

B. Retirement Benefits:

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

For employees hired prior to January 1, 2007:

1. Any age with 30 or more years of creditable service.
2. Age 55 with 25 years of creditable service.
3. Age 60 with a minimum of 10 years of creditable service.
4. Age 65 with a minimum of 7 years of creditable service.

For employees hired on or after January 1, 2007:

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

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (Continued)

B. Retirement Benefits (Continued)

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

C. Survivor Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at the time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

D. Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for PERS. DROP is an option for that member who is eligible for normal retirement.

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the plan will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of PERS, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this plan must agree that the benefits payable to the participant are not the obligations of the State of Louisiana or PERS, and that any returns and other rights of the plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (Continued)

E. Disability Benefits

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

F. Cost of Living Increases

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

G. Employer Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2018, the actuarially determined contribution rate was 9.99% of member's compensation for Plan A. However, the actual rate for the fiscal year ended December 31, 2018 was 11.50% for Plan A. The Parish Council's contributions to PERS under Plan A for the year ended December 31, 2019, were \$759,790, which was equal to the required contributions for the year.

According to state statute, PERS also receives one-quarter of one percent of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge Parishes. PERS also receives revenue sharing funds each year as appropriated by the Louisiana Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

DISTRICT ATTORNEYS' RETIREMENT SYSTEM

DARS is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. DARS was established on August 1, 1956 and was placed under the management of the Board of Trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM (Continued)

All persons who are district attorneys in the state of Louisiana, assistant district attorneys in any parish in the state of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state of Louisiana and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the Board of Trustees for assistant district attorneys. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through DARS in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

A. Benefits

Members who joined DARS before July 1, 1990 and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to three percent of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service.

Members who retire prior to age 60 with less than 23 years of service credit receive a retirement benefit reduced three percent for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced three percent for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined DARS on or after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to three and one-half percent of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced three percent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age 60.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM (Continued)

A. Benefits (Continued)

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse.

These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

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

B. Cost of Living Increases

The Board of Trustees is authorized to grant retired members and surviving beneficiaries of members who have retired an annual cost of living increase of three percent of their original benefit (not to exceed sixty dollars per month), and all retired members and widows who are sixty-five years of age and older a two percent increase in their original benefit. In lieu of other cost of living increases, the Board of Trustees may grant an increase to retirees in the form of "X(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the Board of Trustees to grant any of these increases, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

C. Back-Deferred Retirement Option Program

In lieu of receiving an actual service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program ("Back-DROP") benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of 36 months or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to a reduced monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with DARS in an interest-bearing account.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

DISTRICT ATTORNEYS' RETIREMENT SYSTEM (Continued)

D. Deferred Retirement Option Program

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to 36 months in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to one-half percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the Board of Trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

E. Employer Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2019, the actual employer contribution rate was 1.25%. The Parish Council's contribution to DARS for the year ended December 31, 2019, was \$3,838, which was equal to the required contributions for the year.

F. Non-employer Contributions

In accordance with state statute, DARS 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. Non-employer contributions were recognized as revenue during the year ended June 30, 2019 and excluded from pension expense.

REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM

ROVERS was established on January 1, 1955 for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through ROVERS in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM(Continued)

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

A. Benefits

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

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

Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in ROVERS are calculated at three and one-third percent of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

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

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

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

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM(Continued)

A. Benefits (Continued)

Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

B. Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in ROVERS terminates. During participation in the plan, employer contributions are payable but employee contributions cease.

The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of ROVERS has been terminated for at least one full year.

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

C. Cost of Living Increases

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

D. Employer Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2019, the actual employer contribution rate was 17.00%. The Parish Council's contributions to ROVERS for the year ended December 31, 2019, were \$14,487, which was equal to the required contributions for the year.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Plan Descriptions (Continued)

REGISTRAR OF VOTERS EMPLOYEES' RETIREMENT SYSTEM(Continued)

D. Employer Contributions (Continued)

In accordance with state statute, ROVERS also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2019.

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

At December 31, 2019, the Parish Council reported a total of \$4,647,023 for its proportionate share of the net pension liability of the plans, as follows:

PERS		\$ 4,441,892
DARS		79,007
ROVERS		126,124
		\$ 4,647,023

The net pension liability for PERS was measured as of December 31, 2018, and the net pension liability for DARS and ROVERS was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of each plan's measurement date. The Parish Council's proportion of the net pension liability was based on projections of the Parish Council's share of employer contributions to the plans relative to the employer contributions of all participating employers, actuarially determined.

The Parish Council's proportion of the net pension liability of each plan was as follows:

	<u>2019</u>	<u>2018</u>
PERS	1.000%	0.993%
DARS	0.245%	0.242%
ROVERS	0.674%	0.829%

For the year ended December 31, 2019, the Parish Council recognized pension expense (benefit) as follows:

PERS		\$ 762,943
DARS		18,351
ROVERS		(8,315)
		\$ 772,979

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

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

In addition, the Parish Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>	<u>Totals</u>
Deferred Outflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ 2,126,348	\$ 11,080	\$ -	\$ 2,137,428
Changes in proportion	2,935	3,399	7,269	13,603
Difference between expected and actual experience	-	340	-	340
Changes in assumptions	1,110,619	35,984	18,669	1,165,272
Contributions subsequent to the measurement date	<u>759,790</u>	<u>-</u>	<u>5,776</u>	<u>765,566</u>
 Total deferred outflows of resources	 <u>\$ 3,999,692</u>	 <u>\$ 50,803</u>	 <u>\$ 31,714</u>	 <u>\$ 4,082,209</u>
Deferred Inflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ 7,200	\$ 7,200
Changes in proportion	1,690	1,687	27,598	30,975
Difference between expected and actual experience	270,612	24,659	31,112	326,383
Changes in assumptions	<u>-</u>	<u>2,606</u>	<u>-</u>	<u>2,606</u>
 Total deferred inflows of resources	 <u>\$ 272,302</u>	 <u>\$ 28,952</u>	 <u>\$ 65,910</u>	 <u>\$ 367,164</u>

The deferred outflows of resources related to pensions resulting from the Parish Council's contributions subsequent to the measurement date totaling \$765,566 will be recognized as a reduction of the net pension liability in the year ending December 31, 2020.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

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

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

Year Ending	
December 31,	
2020	\$ 1,019,433
2021	560,297
2022	442,464
2023	934,454
2024	(3,438)
Thereafter	(3,731)
	<u>\$ 2,949,479</u>

Actuarial Methods and Assumptions

The total pension liabilities were determined using the following actuarial methods and assumptions:

	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
Valuation Date	12/31/2018	6/30/2019	6/30/2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return	6.50% (net of investment expenses, including inflation)	6.50% (net of investment expenses, including inflation)	6.50% (net of investment expenses, including inflation)
Expected Remaining Service Lives	4 years, closed period	6 years, closed period	5 years, closed period
Projected Salary Increases	4.75% (2.35% Merit/ 2.40% Inflation)	5.50% (3.10% Merit/ 2.40% Inflation)	6.00% (3.60% Merit/ 2.40% Inflation)
Mortality Employed-	Pub-2010 Public Retirement Plans for Health Retirees	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables	RP-2000 Combined Healthy Mortality Table

(Continued)

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Actuarial Methods and Assumptions (Continued)

(Continued)

	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
Annuitant/Beneficiaries	Pub-2010 Public Retirement Plans for General Employees	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables	RP-2000 Combined Healthy Mortality Table
Disabled Annuitants	Pub-2010 Public Retirement Plans for General Disabled Retirees	RP-2000 Disabled Lives Mortality Table	RP-2000 Disabled Lives Mortality Table
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.	Only those previously granted.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The following schedule lists the methods used by each of the retirement systems in determining the long-term rate of return on pension plan investments:

PERS 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 real rates of return (expected returns net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2018.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Actuarial Methods and Assumptions (Continued)

DARS The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The resulting long-term rate of return is 7.56% for the year ended June 30, 2019.

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

The discount rate used to measure the total pension liability for PERS Plan A, DARS, and ROVERS was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that the 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 Systems' 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.

Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>			<u>Long-term Expected Portfolio Real Rate of Return</u>		
	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
Cash and cash equivalents	0.00%	0.49%	0.00%	0.00%	0.00%	0.00%
Equities	52.00%	48.42%	60.00%	3.45%	3.40%	4.70%
Fixed income	35.00%	40.10%	22.50%	1.22%	0.98%	0.66%
Alternative investments	11.00%	10.99%	10.00%	0.65%	0.69%	0.63%
Real estate	<u>2.00%</u>	<u>0.00%</u>	<u>7.50%</u>	<u>0.11%</u>	<u>0.00%</u>	<u>0.34%</u>
Totals	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>5.43%</u>	<u>5.07%</u>	<u>6.33%</u>
Inflation				<u>2.00%</u>	<u>2.49%</u>	<u>2.50%</u>
Expected arithmetic nominal return				<u>7.43%</u>	<u>7.56%</u>	<u>8.83%</u>

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 6-Pension Plans (Continued)

Sensitivity of Employer's Proportionate Shares of the Net Pension Liabilities to Changes in the Discount Rates

The following presents the Parish Council's proportionate shares of the net pension liabilities of the plans calculated using the current discount rates, as well as what the Parish Council's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	Changes in Discount Rate		
	1% Decrease	Current Discount Rate	1% Increase
PERS (current rate 6.50%)	\$ 9,433,387	\$ 4,441,892	\$ 269,435
DARS (current rate 6.50%)	215,207	79,007	(36,968)
ROVERS (current rate 6.50%)	212,767	126,124	51,759
Totals	\$ 9,861,361	\$ 4,647,023	\$ 284,226

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial statements of the plans.

Note 7-Other Postemployment Benefit Plan (OPEB)

Plan Description

The Parish Council's OPEB plan is a single-employer defined benefit plan. The OPEB plan does not issue a stand-alone financial report. All classified and unclassified employees of the Parish Council and certain employees of the Eighteenth Judicial District-Eighteenth Judicial Court, at their option, participate in the employees' group life and health insurance programs. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Benefits Provided

The Parish Council currently offers a HDHP and a PPO plan to all full-time employees, as well as to retired and retirement-eligible employees. All retirees age 65 and older that have Part A and Part B of Medicare must go on the Humana 65 Plan.

Additionally, a Health Savings Account (HSA) is also offered to all participants in the HDHP. The Parish Council pays 100% of the premiums for all full-time employees, retirees, and retirement-eligible employees that participate in the high deductible plan. The Parish Council pays 82% of the premium for the PPO plan. The Parish Council also contributes to the participants that utilize the HSA as follows:

Family	\$800 annually
Two-party	\$800 annually
Single	\$400 annually

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 7-Other Postemployment Benefit Plan (OPEB) (Continued)

Benefits Provided (Continued)

The Parish Council also pays 50% of the premium for life insurance policies for all full-time and retired employees who choose to participate. Eligible retirees are provided a basic life insurance benefit with a policy amount of \$25,000. The amount decreases to \$5,000 at age 65, then to \$1,000 at age 70.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	57
Inactive employees entitled to but not yet receiving benefit payments	9
Active employees	143
	209

Funding Policy

Currently, the employees and retirees do not contribute to the premiums for health insurance. This is established after the yearly quotes have been awarded and addressed in the annual operating budget and may be amended in subsequent years. For 2019, the Parish Council paid 100% of the health insurance premiums and 50% of the life insurance premiums. Additionally, the Parish Council contributes to the HSA of all HDHP participants based on the schedule shown above. The employer contribution to the OPEB plan for 2019 totaled \$503,517, or approximately 7% of gross payroll, as approved by the Parish Council in the 2019 operating budget. The only contributions required by the retirees were their 50% match on the life insurance.

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Parish Council's total OPEB liability of \$19,830,529 was measured and determined by an actuarial valuation as of December 31, 2019. At the December 31, 2019 measurement date, the Parish Council's proportion was 72.51%, which was a decrease of 2.63% from the proportion at the December 31, 2018 measurement date. For the year ended December 31, 2019, the Parish Council recognized OPEB expense of \$1,078,679.

At December 31, 2019, the Parish Council 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	\$ -	\$ 412,969
Changes in assumptions	3,682,240	-
	\$ 3,682,240	\$ 412,969

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 7-Other Postemployment Benefit Plan (OPEB) (Continued)

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year Ending	
December 31,	
2020	\$ 468,377
2021	468,377
2022	468,377
2023	468,377
2024	468,377
Thereafter	927,386
	<u>\$ 3,269,271</u>

Actuarial Methods and Assumptions

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

Valuation Date	December 31, 2019
Actuarial Method	Individual Entry Age Normal Cost – Level Percentage of Projected Salary
Actuarial Assumptions:	
Inflation Rate	3.00%
Salary Increase Rate	3.50%
Discount Rate	2.74% based on the recently published Bond Buyer GO-20 bond index
Health Care Cost Trend	Level 5.00%
Mortality	RPH-2014 Total Table with Projection MP-2019

The Plan assumes that 100% of all employees and their dependents who are eligible for retiree benefits participate in the postemployment benefit plan.

Sensitivity Analysis of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate and the Discount Rate

The following presents the Parish Council’s proportionate share of the total OPEB liability using the healthcare cost trend rate of 5.00%, as well as what the employer’s proportionate share of the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 7-Other Postemployment Benefit Plan (OPEB) (Continued)

Sensitivity Analysis of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate and the Discount Rate
(Continued)

	Changes in Healthcare Cost Trend Rate		
	1% Decrease <u>(4.00%)</u>	Current Healthcare Cost Trend Rate <u>(5.00%)</u>	1% Increase <u>(6.00%)</u>
Parish Council's proportionate share of total OPEB liability	<u>\$ 16,401,536</u>	<u>\$ 19,830,529</u>	<u>\$ 24,429,636</u>

The following presents the Parish Council's proportionate share of the total OPEB liability using the discount rate of 2.74%, as well as what the employer's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Changes in Discount Rate		
	1% Decrease <u>(1.74%)</u>	Current Discount Rate <u>(2.74%)</u>	1% Increase <u>(3.74%)</u>
Parish Council's proportionate share of total OPEB liability	<u>\$ 23,748,609</u>	<u>\$ 19,830,529</u>	<u>\$ 16,773,537</u>

Note 8-Parish Council Member's Compensation

The Parish Council has elected the monthly payment method of compensation for its council members. The monthly compensation is \$1,300 for the Council President and \$1,200 for the other council members.

Compensation for the year ended December 31, 2019 was as follows:

Gary Spillman, Chairperson	\$ 15,600
Kirk Allain	14,400
Charlene Gordon	14,400
Ricky Loupe	14,400
Naomi Fair	14,400
Edward Robertson	14,400
Chris Kershaw	14,400
Phil Porto	14,400
Barry Huggins	14,400
	<u>\$ 130,800</u>

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 9-Non-current Liabilities

A. Changes in Non-current Liabilities

	Balance, December 31, <u>2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2019</u>	Due Within <u>One Year</u>
Governmental Activities					
Bonds payable	\$ 1,540,000	\$ -	\$ (150,000)	\$ 1,390,000	\$ 155,000
Obligations payable	1,513,000	-	(122,000)	1,391,000	123,000
Compensated absences	367,288	294,747	(276,168)	385,867	300,000
Net pension liability	273,671	4,373,352	-	4,647,023	-
OPEB liability	<u>15,482,579</u>	<u>4,851,467</u>	<u>(503,517)</u>	<u>19,830,529</u>	<u>-</u>
 Total non-current liabilities	 <u>\$ 19,176,538</u>	 <u>\$ 9,519,566</u>	 <u>\$ (1,051,685)</u>	 <u>\$ 27,644,419</u>	 <u>\$ 578,000</u>

B. Bonds and Obligations Payable

Bonds and obligations payable at December 31, 2019, are comprised of the following:

\$250,000 Certificate of Indebtedness (Series 2014), due in annual installments of \$22,000 to \$28,000 through December, 2024. Interest is payable semiannually at 3.06%. The certificate of indebtedness is secured and payable by funds from excess revenue.	\$ 134,000
\$1,090,000 Louisiana Revenue Refunding Bonds (Series 2015), due in annual installments of \$95,000 to \$115,000 through August 2025, secured and payable from excess revenue.	665,000
\$750,000 Sales Tax Revenue Bonds (Series 2008A), due in annual installments of \$15,000 to \$50,000 through April, 2038. Interest is payable semiannually at 5.70%. The bonds are secured and payable from excess tax revenue.	600,000
\$350,000 Sales Tax Revenue Bonds (Series 2008B), due in annual installments of \$25,000 to \$35,000 through April, 2023. Interest is payable semiannually at 5.70%. The bonds are secured and payable from excess tax revenue.	125,000
\$2,000,000 Clean Water State Revolving Loan Fund due in annual installments of \$95,000 to \$122,000 through October, 2031. Interest rate is 0.45%. Loan is secured by sales tax.	<u>1,257,000</u>
Total bonds and obligations payable	<u>\$ 2,781,000</u>

**West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019**

Note 9-Non-current Liabilities (Continued)

B. Bonds and Obligations Payable (Continued)

The following is a summary of principal and interest requirements:

Year Ending December 31,	Bonds Payable			Obligations Payable		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 155,000	\$ 55,623	\$ 210,623	\$ 123,000	\$ 9,441	\$ 132,441
2021	160,000	50,515	210,515	125,000	8,233	133,233
2022	160,000	45,300	205,300	127,000	6,989	133,989
2023	165,000	40,085	205,085	129,000	5,711	134,711
2024	140,000	34,585	174,585	130,000	4,397	134,397
2025 - 2029	250,000	129,013	379,013	527,000	10,680	537,680
2030 - 2034	180,000	83,505	263,505	230,000	924	230,924
2035 - 2039	180,000	26,504	206,504	-	-	-
	<u>\$ 1,390,000</u>	<u>\$ 465,130</u>	<u>\$ 1,855,130</u>	<u>\$ 1,391,000</u>	<u>\$ 46,375</u>	<u>\$ 1,437,375</u>

C. Bonds of Other Governmental Units

Bonds of the West Baton Rouge Parish School Board, West Baton Rouge Parish Library, West Baton Rouge Parish Tourist Commission, West Baton Rouge Parish Council on Aging, West Baton Rouge Parish Public Utilities, and West Baton Rouge Parish Water Works Districts Number 1, 2 and 4, Town of Brusly, Town of Addis, City of Port Allen and Atchafalaya Levee Districts are obligations of other governmental units located within the limits of the Parish. These bonds are not included in this statement because they are not obligations of this primary government.

D. Port Authority Bonds

The Parish and other surrounding parishes are situated within the limits of the Greater Baton Rouge Port Commission (“the Port”). Outstanding obligations of the Port are secured by a pledge of the full faith and credit of the Parish and other parishes in the district. However, the Supreme Court of the State of Louisiana has held that the pledge of the full faith and credit of the State of Louisiana comes before the pledges of the credit of the various parishes. Therefore, the Parish Council does not foresee any potential liability with respect to the bonds of the Port.

E. Industrial Development Revenue Bonds

The Parish Council and special districts have issued industrial development revenue bonds and industrial pollution control revenue bonds. These bonds are limited obligations of the Parish Council or district payable from revenue of the projects. The bonds are not a charge upon other income of the Parish Council or district, nor are they a charge against the credit or taxing power of the district or the Parish Council.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 9-Non-current Liabilities (Continued)

F. Bond Restrictions

1. Westport Sewer 2008-A; Westport Roads 2008-B:
 - a. The Debt Service Fund requires monthly transfers equal to one-twelfth of the principal **and interest**.
 - b. The Reserve Fund is required to have an amount equal to the highest combined principal **and interest** falling due in a year. This fund is restricted to payment of principal and interest in case of **default**.

The Parish Council was in compliance with all bond covenants in 2019.

Note 10-Interfund Transfers

	In	Out
Operating transfers by fund are as follows:		
General Fund	\$ -	\$ 3,373,931
Special Revenue Funds		
Parish Roads	1,672,801	-
Recreation	-	185,912
Federal Grants	-	-
	1,672,801	185,912
Debt Service Funds		
2015 Revenue Refunding Bonds	121,555	-
2000 and 2002 Tourist Center Bonds	29,865	29,865
2008 Westport Sewer Bonds	55,341	-
2008 Westport Road Bonds	32,794	985
2010 Clean Water State Revolving Loan Fund	109,402	-
	348,957	30,850
Capital Projects Fund	2,437,063	868,128
	\$ 4,458,821	\$ 4,458,821

Transfers are used (1) to move unrestricted revenues to finance various programs in accordance with **budgetary** authorizations, and (2) to move receipts restricted to debt service from funds collecting the receipts to the debt service funds.

Note 11-Risk Management

The Parish Council is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Parish Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior period. No settlements were made during the year ended December 31, 2019 that exceeded the Parish Council's coverage.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2019

Note 12-Contingent Liabilities

At December 31, 2019, the Parish Council was a defendant in several pending lawsuits. The Parish Council’s legal counsel has reviewed the Parish Council’s claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish Council. It is the opinion of the Parish Council, after conferring with legal counsel, that the liabilities, if any, which might arise from these lawsuits would not have a material adverse effect on the Parish Council’s financial position.

Note 13-Tax Abatements

The Parish Council is subject to tax abatements granted by the State of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption Program. This program was set up by Article 7 Section 21 of the Louisiana Constitution. The program abates, up to ten years, local property taxes (ad valorem) on a manufacturer’s new investment and annual capitalized additions related to the manufacturing site.

Tax Abatement Program	Taxes Abated during the Year
State of Louisiana:	
Louisiana Industrial Ad Valorem Tax Exemption Program	<u>\$ 10,287,744</u>

Note 14-Subsequent Events

The Parish Council evaluated all subsequent events through September 28, 2020, the date the financial statements were available to be issued. In March 2020, the World Health Organization categorized Coronavirus Disease 2019 (“COVID-19”) as a pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. The COVID-19 pandemic has led to volatility in financial markets and the potential economic impact brought by, and the duration of, COVID-19 is difficult to assess or predict and will depend on future developments that are highly uncertain and cannot be predicted.

Required Supplementary Information

West Baton Rouge Parish Council
Schedule of Changes in Total OPEB Liability and Related Ratios
Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 470,082	\$ 451,568
Interest	643,737	620,126
Difference between expected and actual experience	(472,134)	-
Change of assumptions	4,209,782	-
Benefit payments	<u>(503,517)</u>	<u>(525,125)</u>
Net Change in Total OPEB Liability	4,347,950	546,569
Total OPEB Liability - Beginning	<u>15,482,579</u>	<u>14,936,010</u>
Total OPEB Liability - Ending	<u>\$ 19,830,529</u>	<u>\$ 15,482,579</u>
Covered payroll	\$ 6,834,421	\$ 6,154,558
Total OPEB liability as a percentage of covered payroll	290.16%	251.56%

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

West Baton Rouge Parish Council
Schedule of Proportionate Share of Net Pension Liability (Asset)
Year Ended December 31, 2019

	Proportion of net pension liability (asset)	Proportionate share of net pension liability (asset)	Covered payroll	Proportionate share of net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of total pension liability
<u>PERS</u>					
2019	1.000%	\$ 4,441,892	\$ 6,606,324	67.24%	88.86%
2018	0.993%	(737,210)	5,932,830	-12.43%	101.98%
2017	1.000%	2,059,044	5,758,429	35.76%	94.15%
2016	1.020%	2,684,449	5,929,200	45.28%	92.23%
2015	1.239%	338,717	5,847,220	5.79%	99.15%
<u>DARS</u>					
2019	0.245%	79,007	145,586	54.27%	93.12%
2018	0.242%	78,003	142,106	54.89%	92.92%
2017	0.240%	64,790	139,641	46.40%	93.57%
2016	0.258%	49,470	78,208	63.25%	95.09%
2015	0.264%	14,195	78,485	18.09%	98.56%
<u>ROVERS</u>					
2019	0.674%	126,124	82,511	152.86%	84.83%
2018	0.829%	195,688	79,622	245.77%	80.57%
2017	0.808%	177,265	112,594	157.44%	80.51%
2016	0.761%	215,817	97,363	221.66%	73.98%
2015	0.762%	186,584	104,105	179.23%	76.86%

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

**West Baton Rouge Parish Council
Schedule of Employer Contributions
Year Ended December 31, 2019**

	Statutorily required contribution	Contributions in relation to statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
<u>PERS</u>					
2019	\$ 759,790	\$ 759,790	\$ -	\$ 6,606,324	11.50%
2018	682,275	682,275	-	5,932,830	11.50%
2017	719,805	719,805	-	5,758,429	12.50%
2016	770,796	770,796	-	5,929,200	13.00%
2015	847,847	847,847	-	5,847,220	14.50%
<u>DARS</u>					
2019	3,838	3,838	-	145,586	2.64%
2018	-	-	-	142,106	0.00%
2017	-	-	-	139,641	0.00%
2016	2,737	2,737	-	78,208	3.50%
2015	5,494	5,494	-	78,485	7.00%
<u>ROVERS</u>					
2019	14,487	14,487	-	82,511	17.56%
2018	13,536	13,536	-	79,622	17.00%
2017	20,930	20,930	-	112,594	18.59%
2016	22,544	22,544	-	97,363	23.15%
2015	24,312	24,312	-	104,105	23.35%

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

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
Year Ended December 31, 2019

	Budgeted Amounts		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	Original	Final		
Revenue				
Taxes	\$ 8,873,756	\$ 8,873,756	\$ 9,587,354	\$ 713,598
Licenses and permits	863,000	863,000	985,717	122,717
Intergovernmental	779,000	779,000	82,155	(696,845)
Charges for services	2,348,440	2,348,440	2,254,399	(94,041)
Interest	200,000	200,000	341,418	141,418
Rent	16,600	16,600	16,600	-
Miscellaneous	152,000	152,000	185,087	33,087
Total revenue	13,232,796	13,232,796	13,452,730	219,934
Expenditures				
Current				
General government				
Council	362,345	362,345	333,022	29,323
Finance and administration	1,654,396	1,654,396	1,484,120	170,276
Judicial	1,244,900	1,270,000	1,129,450	140,550
Elections	245,171	245,171	185,230	59,941
Government buildings	1,563,709	1,563,709	1,437,067	126,642
Planning and zoning	504,648	504,648	455,437	49,211
IT department	181,958	182,508	181,493	1,015
Public safety	679,932	687,532	613,809	73,723
Public works	2,090,000	2,090,000	2,074,006	15,994
Health and welfare	547,139	564,139	449,279	114,860
Economic development	108,600	108,600	109,232	(632)
Capital outlay	614,300	614,300	548,045	66,255
Total expenditures	9,797,098	9,847,348	9,000,190	847,158
Excess of Revenue over (under)				
Expenditures	3,435,698	3,385,448	4,452,540	(1,067,092)
Other Financing Uses				
Operating transfers out	6,129,800	3,866,800	3,373,931	492,869
Net Change in Fund Balance	(2,694,102)	(481,352)	1,078,609	1,559,961
Fund Balance				
Beginning of year	14,380,167	14,380,167	14,380,167	-
End of year	\$ 11,686,065	\$ 13,898,815	\$ 15,458,776	\$ 1,559,961

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Drainage
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 2,916,000	\$ 2,916,000	\$ 3,052,369	\$ 136,369
Intergovernmental	30,600	30,600	31,622	1,022
Interest	40,000	40,000	68,631	28,631
Miscellaneous	<u>-</u>	<u>-</u>	<u>113,827</u>	<u>113,827</u>
Total revenue	<u>2,986,600</u>	<u>2,986,600</u>	<u>3,266,449</u>	<u>279,849</u>
Expenditures				
Current				
Public works	2,538,441	2,538,441	2,391,658	146,783
Capital outlay	<u>1,005,024</u>	<u>1,005,024</u>	<u>839,474</u>	<u>165,550</u>
Total expenditures	<u>3,543,465</u>	<u>3,543,465</u>	<u>3,231,132</u>	<u>312,333</u>
Net Change in Fund Balance	(556,865)	(556,865)	35,317	592,182
Fund Balance				
Beginning of year	<u>2,134,547</u>	<u>2,134,547</u>	<u>2,134,547</u>	<u>-</u>
End of year	<u>\$ 1,577,682</u>	<u>\$ 1,577,682</u>	<u>\$ 2,169,864</u>	<u>\$ 592,182</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Community Centers
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 1,215,000	\$ 1,215,000	\$ 1,271,820	\$ 56,820
Intergovernmental	27,000	27,000	28,026	1,026
Charges for services	107,300	107,300	106,795	(505)
Interest	32,000	32,000	50,161	18,161
Miscellaneous income	-	-	3,500	3,500
Total revenue	<u>1,381,300</u>	<u>1,381,300</u>	<u>1,460,302</u>	<u>79,002</u>
Expenditures				
Current				
Culture and recreation	1,105,943	1,183,843	1,059,687	124,156
Capital outlay	<u>620,500</u>	<u>620,500</u>	<u>371,616</u>	<u>248,884</u>
Total expenditures	<u>1,726,443</u>	<u>1,804,343</u>	<u>1,431,303</u>	<u>373,040</u>
Net Change in Fund Balance	(345,143)	(423,043)	28,999	452,042
Fund Balance				
Beginning of year	<u>1,876,182</u>	<u>1,876,182</u>	<u>1,876,182</u>	<u>-</u>
End of year	<u>\$ 1,531,039</u>	<u>\$ 1,453,139</u>	<u>\$ 1,905,181</u>	<u>\$ 452,042</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Central Communications
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 1,215,000	\$ 1,215,000	\$ 1,271,820	\$ 56,820
Interest	<u>30,000</u>	<u>30,000</u>	<u>52,063</u>	<u>22,063</u>
Total revenue	<u>1,245,000</u>	<u>1,245,000</u>	<u>1,323,883</u>	<u>78,883</u>
Expenditures				
Current				
Public safety	1,096,531	1,096,531	1,010,750	85,781
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>23,592</u>	<u>1,408</u>
Total expenditures	<u>1,121,531</u>	<u>1,121,531</u>	<u>1,034,342</u>	<u>87,189</u>
Net Change in Fund Balance	123,469	123,469	289,541	166,072
Fund Balance				
Beginning of year	<u>1,943,609</u>	<u>1,943,609</u>	<u>1,943,609</u>	<u>-</u>
End of year	<u>\$ 2,067,078</u>	<u>\$ 2,067,078</u>	<u>\$ 2,233,150</u>	<u>\$ 166,072</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Correctional Facility
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 3,630,000	\$ 3,630,000	\$ 3,956,508	\$ 326,508
Intergovernmental	3,368,000	3,368,000	3,422,225	54,225
Interest	60,000	60,000	72,488	12,488
Miscellaneous	<u>-</u>	<u>-</u>	<u>22,705</u>	<u>22,705</u>
Total revenue	<u>7,058,000</u>	<u>7,058,000</u>	<u>7,473,926</u>	<u>415,926</u>
Expenditures				
Current				
Public safety	6,286,301	6,286,301	5,970,468	315,833
Capital outlay	<u>343,920</u>	<u>343,920</u>	<u>229,639</u>	<u>114,281</u>
Total expenditures	<u>6,630,221</u>	<u>6,630,221</u>	<u>6,200,107</u>	<u>430,114</u>
Net Change in Fund Balance	427,779	427,779	1,273,819	846,040
Fund Balance				
Beginning of year	<u>4,257,067</u>	<u>4,257,067</u>	<u>4,257,067</u>	<u>-</u>
End of year	<u>\$ 4,684,846</u>	<u>\$ 4,684,846</u>	<u>\$ 5,530,886</u>	<u>\$ 846,040</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance –
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Recreation
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 2,025,000	\$ 2,025,000	\$ 2,119,700	\$ 94,700
Charges for services	105,556	105,556	105,173	(383)
Interest	18,000	18,000	30,794	12,794
Miscellaneous	<u>2,650</u>	<u>2,650</u>	<u>5,625</u>	<u>2,975</u>
Total revenue	<u>2,151,206</u>	<u>2,151,206</u>	<u>2,261,292</u>	<u>110,086</u>
Expenditures				
Current				
Culture and recreation	1,960,086	1,960,086	1,917,187	42,899
Capital outlay	<u>132,100</u>	<u>132,100</u>	<u>132,011</u>	<u>89</u>
Total expenditures	<u>2,092,186</u>	<u>2,092,186</u>	<u>2,049,198</u>	<u>42,988</u>
Excess of Revenue over Expenditures	59,020	59,020	212,094	153,074
Other Financing Uses				
Operating transfers out	<u>168,000</u>	<u>168,000</u>	<u>185,912</u>	<u>17,912</u>
Net Change in Fund Balance	(108,980)	(108,980)	26,182	135,162
Fund Balance				
Beginning of year	<u>1,878,710</u>	<u>1,878,710</u>	<u>1,878,710</u>	<u>-</u>
End of year	<u>\$ 1,769,730</u>	<u>\$ 1,769,730</u>	<u>\$ 1,904,892</u>	<u>\$ 135,162</u>

West Baton Rouge Parish Council
Notes to Required Supplementary Information
December 31, 2019

Notes to the schedule of changes in total OPEB liability and related ratios:

Note 1-Changes of Benefit Terms

There were no changes of benefit terms for the year ended December 31, 2019.

Note 2-Changes of Assumptions

The discount rate decreased from 4.10% as of the December 31, 2018 measurement date to 2.74% as of the December 31, 2019 measurement date.

Notes to the schedules of proportionate share of net pension liability and contributions:

Note 3-Changes of Benefit Terms

There were no changes of benefit terms for the year ended December 31, 2019.

Note 4-Changes of Assumptions

The investment rate of return for PERS decreased by 0.25% from the previous valuation. The investment rate of return per the most recent valuations are 6.50% for all three pension plans.

Notes to the budgetary comparison schedule:

Note 5-Budget and Budgetary Accounting

The Parish Council follows these procedures in establishing the budgetary data reflected in the financial statements.

- Prior to November 1, the Parish President submits to the Parish Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to January 1, the budget is legally enacted by an ordinance.
- The Parish President is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Parish Council.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the Capital Projects Fund. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is achieved through general obligation bond indenture provisions.
- The appropriated budget for the General Fund and Special Revenue Funds is adopted on the cash basis. Budgetary comparisons presented in this report compare the adopted budget with actual data on the budgetary (cash) basis.
- All budgetary appropriations lapse at the end of each fiscal year.
- Encumbrances are not recorded by the Parish Council; accordingly, no encumbrances are outstanding.
- Budgeted amounts are shown as originally adopted or amended by the Parish Council. Each year the budgetary information for comparisons includes the amended budget.

West Baton Rouge Parish Council
Notes to Required Supplementary Information
December 31, 2019

Notes to the budgetary comparison schedule (Continued)

Note 6-Budgetary-GAAP Reporting Reconciliation

Budgetary comparisons presented in this report are on the budgetary basis. Certain adjustments are necessary to compare actual data on a GAAP versus budget basis.

Adjustments reconciling the excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses at year end on the GAAP basis to the budgetary basis are as follows:

	General Fund	Drainage	Com- munity Centers	Central Commun- ications	Correc- tional Facility	Rec- reation	Other Special Revenue Funds
Net change in fund balance (Budgetary Basis)	\$ 1,078,609	\$ 35,317	\$ 28,999	\$ 289,541	\$ 1,273,819	\$ 26,182	\$ 544,628
Adjustments-to adjust for accruals	<u>61,341</u>	<u>(162,498)</u>	<u>23,401</u>	<u>10,758</u>	<u>(201,780)</u>	<u>49,309</u>	<u>29,495</u>
Net change in fund balance (GAAP basis)	<u>\$ 1,139,950</u>	<u>\$ (127,181)</u>	<u>\$ 52,400</u>	<u>\$ 300,299</u>	<u>\$ 1,072,039</u>	<u>\$ 75,491</u>	<u>\$ 574,123</u>

**Combining and Individual
Fund Statements and Schedules**

**West Baton Rouge Parish Council
Non-Major Governmental Funds
December 31, 2019**

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Parish Roads:

To account for the construction of new roads and bridges and the maintenance of existing roads and roadside areas. Financing is provided by the State of Louisiana Parish Transportation Fund, the Parish Royalty Fund, and amounts transferred from the general fund.

Health Unit:

To account for the operation of the Parish Health Unit. Financing is provided by ad valorem taxes.

Community Alert Network:

To account for a program which alerts the community in case of an emergency. Funds are provided by various industries in the Parish.

911:

To provide the citizens of the Parish with a one-number service for all emergencies. Funds are provided by a monthly charge of \$0.85 per month for residents and \$1.75 per month for businesses on all telephone bills.

Criminal Court:

This fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorneys' conviction fees, in criminal cases, be transferred to the parish treasurer and deposited into a special "Criminal Court Fund" account to be used for expenses of the Criminal Court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statutes also require that one-half of the fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the Parish's General Fund.

Juvenile Detention:

To account for the receipts and subsequent expenditure of funds received from the oil field settlement of Port Hudson field for special projects. Funds are currently dedicated for the cost of juvenile detention in the Parish.

Parish Lighting:

To account for future lighting districts around the Parish. Funds are provided by a 25% allocation of video poker funds.

Federal Grants:

To account for the receipt and subsequent expenditure of funds received from the Department of Housing and Urban Development to aid low income families in obtaining decent, safe and sanitary housing and also from the Department of Social Services for low income energy assistance. The Community Development Block Grant covers various projects for the Parish. The total budget originally passed was set to cover all of these projects.

Miscellaneous:

To account for miscellaneous funds which are in the process of being dissolved because their purpose is no longer necessary.

**West Baton Rouge Parish Council
Non-Major Governmental Funds
December 31, 2019**

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt **principal and interest**.

2015 Revenue Refunding Bonds:

To record monies for payment of the 2015 Revenue Refunding Bonds.

2000 and 2002 Tourist Center Bonds:

To record monies for payment of the Tourist Center Bonds. Financing is from the State Treasurer and **increased sales and other tax revenues** to the Parish from economic development services and facilities provided by the West Baton Rouge Parish Tourist Commission.

2008 Westport Sewer Bonds:

To record monies for payments of the 2008, \$750,000 Sales Tax Revenue Bonds.

2008 Westport Road Bonds:

To record monies for payments of the 2008, \$350,000 Sales Tax Revenue Bonds.

2010 Clean Water State Revolving Fund:

To record monies for payments of the Westport Sewer Loan.

Fiduciary Fund

Agency Fund

To account for the collection of taxes and fees and the resulting distribution to the appropriate taxing bodies.

West Baton Rouge Parish Council
Non-Major Governmental Funds
Combining Balance Sheet
December 31, 2019

	Special Revenue Funds									
	Parish Roads	Health Unit	Community Alert Network	911	Criminal Court	Juvenile Detention	Parish Lighting	Federal Grants	Miscel- laneous	Special Revenue Total
Assets										
Cash and cash equivalents	\$ 39,943	\$ 776,748	\$ 4,103	\$ 193,181	\$ 835,748	\$ (36,824)	\$ 585,927	\$ 519,915	\$ 111,242	\$ 3,029,983
Investments	-	950,000	-	350,000	-	1,500,000	1,700,000	-	-	4,500,000
Taxes receivable	-	743,411	-	-	-	-	-	-	-	743,411
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Due from other governments	61,824	1,905	-	106,732	19,064	3,199	31,586	39,584	-	263,894
Total assets	<u>\$ 101,767</u>	<u>\$ 2,472,064</u>	<u>\$ 4,103</u>	<u>\$ 649,913</u>	<u>\$ 854,812</u>	<u>\$ 1,466,375</u>	<u>\$ 2,317,513</u>	<u>\$ 559,499</u>	<u>\$ 111,242</u>	<u>\$ 8,537,288</u>
Liabilities										
Accounts payable	\$ 44,338	\$ 3,991	\$ -	\$ 3,066	\$ 13,086	\$ 1,200	\$ 1,582	\$ 1,062	\$ -	\$ 68,325
Accrued liabilities	42,669	17,454	-	36,467	-	-	-	-	-	96,590
Total liabilities	<u>87,007</u>	<u>21,445</u>	<u>-</u>	<u>39,533</u>	<u>13,086</u>	<u>1,200</u>	<u>1,582</u>	<u>1,062</u>	<u>-</u>	<u>164,915</u>
Deferred Inflows of Resources										
Grant advances	-	-	-	-	-	-	-	386,303	-	386,303
Unavailable revenue - property taxes	-	785,825	-	-	-	-	-	-	-	785,825
Total deferred inflows of resources	<u>-</u>	<u>785,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,303</u>	<u>-</u>	<u>1,172,128</u>
Fund Balances										
Restricted	14,760	1,664,794	4,103	-	-	1,465,175	-	172,134	-	3,320,966
Committed	-	-	-	610,380	-	-	2,315,931	-	111,242	3,037,553
Assigned	-	-	-	-	841,726	-	-	-	-	841,726
Total fund balances	<u>14,760</u>	<u>1,664,794</u>	<u>4,103</u>	<u>610,380</u>	<u>841,726</u>	<u>1,465,175</u>	<u>2,315,931</u>	<u>172,134</u>	<u>111,242</u>	<u>7,200,245</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 101,767</u>	<u>\$ 2,472,064</u>	<u>\$ 4,103</u>	<u>\$ 649,913</u>	<u>\$ 854,812</u>	<u>\$ 1,466,375</u>	<u>\$ 2,317,513</u>	<u>\$ 559,499</u>	<u>\$ 111,242</u>	<u>\$ 8,537,288</u>

West Baton Rouge Parish Council
Non-Major Governmental Funds
Combining Balance Sheet
December 31, 2019

	Capital Projects Fund	Debt Service Funds						Total Non- Major Govern- mental Funds
		2015 Revenue Refunding Bonds	2000 and 2002 Tourist Center Bonds	2008 Westport Sewer Bonds	2008 Westport Road Bonds	2010 Clean Water State Revolving Fund	Debt Service Total	
Assets								
Cash and cash equivalents	\$ 254,279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,284,262
Investments	4,019,614	-	-	-	-	-	-	8,519,614
Taxes receivable	-	-	-	-	-	-	-	743,411
Restricted cash and cash equivalents	-	-	1,327	57,546	35,691	118,805	213,369	213,369
Due from other governments	82,200	-	156,229	-	-	-	156,229	502,323
Total assets	<u>\$ 4,356,093</u>	<u>\$ -</u>	<u>\$ 157,556</u>	<u>\$ 57,546</u>	<u>\$ 35,691</u>	<u>\$ 118,805</u>	<u>\$ 369,598</u>	<u>\$ 13,262,979</u>
Liabilities								
Accounts payable	\$ 264,410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 332,735
Accrued liabilities	-	-	-	-	-	-	-	96,590
Total liabilities	<u>264,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>429,325</u>
Deferred Inflows of Resources								
Grant advances	-	-	-	-	-	-	-	386,303
Unavailable revenue - property taxes	-	-	-	-	-	-	-	785,825
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,172,128</u>
Fund Balances								
Restricted	-	-	157,556	57,546	35,691	118,805	369,598	3,690,564
Committed	4,091,683	-	-	-	-	-	-	7,129,236
Assigned	-	-	-	-	-	-	-	841,726
Total fund balances	<u>4,091,683</u>	<u>-</u>	<u>157,556</u>	<u>57,546</u>	<u>35,691</u>	<u>118,805</u>	<u>369,598</u>	<u>11,661,526</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,356,093</u>	<u>\$ -</u>	<u>\$ 157,556</u>	<u>\$ 57,546</u>	<u>\$ 35,691</u>	<u>\$ 118,805</u>	<u>\$ 369,598</u>	<u>\$ 13,262,979</u>

West Baton Rouge Parish Council
Non-Major Governmental Funds
Combining Statement of Revenue, Expenditures, and Change in Fund Balances
Year Ended December 31, 2019

	Special Revenue Funds									
	Parish Roads	Health Unit	Community Alert Network	911	Criminal Court	Juvenile Detention	Parish Lighting	Federal Grants	Miscel- laneous	Special Revenue Total
Revenue										
Taxes	\$ -	\$ 748,664	\$ -	\$ -	\$ -	\$ -	\$ 266,320	\$ -	\$ -	\$ 1,014,984
Intergovernmental	526,503	21,701	9,725	430,724	-	-	13,843	565,104	-	1,567,600
Charges for services	105,606	-	-	-	-	-	-	-	-	105,606
Fines and forfeitures	-	-	-	-	258,942	-	-	-	-	258,942
Interest	839	38,970	69	12,418	13,129	35,731	47,510	9,345	1,845	159,856
Miscellaneous	301	-	-	-	-	-	-	23,928	39,802	64,031
Total revenue	<u>633,249</u>	<u>809,335</u>	<u>9,794</u>	<u>443,142</u>	<u>272,071</u>	<u>35,731</u>	<u>327,673</u>	<u>598,377</u>	<u>41,647</u>	<u>3,171,019</u>
Expenditures										
Judicial	-	-	-	-	164,502	-	-	-	-	164,502
Public safety	-	-	12,200	365,424	-	52,682	-	58,650	29,104	518,060
Public works	2,128,097	-	-	-	-	-	148,069	-	-	2,276,166
Culture and recreation	-	-	-	-	-	-	-	5,683	-	5,683
Health and welfare	-	548,637	-	-	-	-	-	229,740	-	778,377
Urban housing	-	-	-	-	-	-	-	305,976	-	305,976
Capital outlay	220,933	-	-	-	-	-	-	-	-	220,933
Debt service										
Principal payments	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Fees and refunding costs	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>2,349,030</u>	<u>548,637</u>	<u>12,200</u>	<u>365,424</u>	<u>164,502</u>	<u>52,682</u>	<u>148,069</u>	<u>600,049</u>	<u>29,104</u>	<u>4,269,697</u>
Excess (Deficiency) of Revenue over (under) Expenditures	<u>(1,715,781)</u>	<u>260,698</u>	<u>(2,406)</u>	<u>77,718</u>	<u>107,569</u>	<u>(16,951)</u>	<u>179,604</u>	<u>(1,672)</u>	<u>12,543</u>	<u>(1,098,678)</u>
Other Financing Sources (Uses)										
Operating transfers in	1,672,801	-	-	-	-	-	-	-	-	1,672,801
Operating transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,672,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,672,801</u>
Net Change in Fund Balances	<u>(42,980)</u>	<u>260,698</u>	<u>(2,406)</u>	<u>77,718</u>	<u>107,569</u>	<u>(16,951)</u>	<u>179,604</u>	<u>(1,672)</u>	<u>12,543</u>	<u>574,123</u>
Fund Balances										
Beginning of year	<u>57,740</u>	<u>1,404,096</u>	<u>6,509</u>	<u>532,662</u>	<u>734,157</u>	<u>1,482,126</u>	<u>2,136,327</u>	<u>173,806</u>	<u>98,699</u>	<u>6,626,122</u>
End of year	<u>\$ 14,760</u>	<u>\$ 1,664,794</u>	<u>\$ 4,103</u>	<u>\$ 610,380</u>	<u>\$ 841,726</u>	<u>\$ 1,465,175</u>	<u>\$ 2,315,931</u>	<u>\$ 172,134</u>	<u>\$ 111,242</u>	<u>\$ 7,200,245</u>

West Baton Rouge Parish Council
Non-Major Governmental Funds
Combining Statement of Revenue, Expenditures, and Change in Fund Balances
Year Ended December 31, 2019

	Capital Projects Fund	Debt Service Funds					Debt Service Total	Total Non- Major Govern- mental Funds
		2015 Revenue Refunding Bonds	2000 and 2002 Tourist Center Bonds	2008 Westport Sewer Bonds	2008 Westport Road Bonds	2010 Clean Water State Revolving Fund		
Revenue								
Taxes	\$ 868,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,883,112
Intergovernmental	15,519	-	562,889	-	-	-	562,889	2,146,008
Charges for services	-	-	-	-	-	-	-	105,606
Fines and forfeitures	-	-	-	-	-	-	-	258,942
Interest	91,299	-	501	1,072	679	2,079	4,331	255,486
Miscellaneous	-	-	-	-	-	-	-	64,031
Total revenue	<u>974,946</u>	<u>-</u>	<u>563,390</u>	<u>1,072</u>	<u>679</u>	<u>2,079</u>	<u>567,220</u>	<u>4,713,185</u>
Expenditures								
Judicial	-	-	-	-	-	-	-	164,502
Public safety	-	-	-	-	-	-	-	518,060
Public works	21,933	-	-	-	-	-	-	2,298,099
Culture and recreation	-	-	571,386	-	-	-	571,386	577,069
Health and welfare	-	-	-	-	-	-	-	778,377
Urban housing	-	-	-	-	-	-	-	305,976
Capital outlay	2,747,700	-	-	-	-	-	-	2,968,633
Debt service								
Principal payments	-	105,000	25,000	20,000	25,000	97,000	272,000	272,000
Interest	-	16,555	4,865	33,756	7,194	5,875	68,245	68,245
Fees and refunding costs	-	-	-	600	1,221	6,527	8,348	8,348
Total expenditures	<u>2,769,633</u>	<u>121,555</u>	<u>601,251</u>	<u>54,356</u>	<u>33,415</u>	<u>109,402</u>	<u>919,979</u>	<u>7,959,309</u>
Excess (Deficiency) of Revenue over (under) Expenditures	<u>(1,794,687)</u>	<u>(121,555)</u>	<u>(37,861)</u>	<u>(53,284)</u>	<u>(32,736)</u>	<u>(107,323)</u>	<u>(352,759)</u>	<u>(3,246,124)</u>
Other Financing Sources (Uses)								
Operating transfers in	2,437,063	121,555	29,865	55,341	32,794	109,402	348,957	4,458,821
Operating transfers out	(868,128)	-	(29,865)	(985)	-	-	(30,850)	(898,978)
Total other financing sources (uses)	<u>1,568,935</u>	<u>121,555</u>	<u>-</u>	<u>54,356</u>	<u>32,794</u>	<u>109,402</u>	<u>318,107</u>	<u>3,559,843</u>
Net Change in Fund Balances	<u>(225,752)</u>	<u>-</u>	<u>(37,861)</u>	<u>1,072</u>	<u>58</u>	<u>2,079</u>	<u>(34,652)</u>	<u>313,719</u>
Fund Balances								
Beginning of year	4,317,435	-	195,417	56,474	35,633	116,726	404,250	11,347,807
End of year	<u>\$ 4,091,683</u>	<u>\$ -</u>	<u>\$ 157,556</u>	<u>\$ 57,546</u>	<u>\$ 35,691</u>	<u>\$ 118,805</u>	<u>\$ 369,598</u>	<u>\$ 11,661,526</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Parish Roads
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental	\$ 561,000	\$ 561,000	\$ 581,474	\$ 20,474
Interest	-	-	839	839
Miscellaneous	-	-	301	301
	<u>561,000</u>	<u>561,000</u>	<u>582,614</u>	<u>21,614</u>
Total revenue				
Expenditures				
Current				
Public works	2,241,123	2,241,123	1,997,201	243,922
Capital outlay	320,000	320,000	221,133	98,867
	<u>2,561,123</u>	<u>2,561,123</u>	<u>2,218,334</u>	<u>342,789</u>
Total expenditures				
Deficiency of Revenue under Expenditures	(2,000,122)	(2,000,123)	(1,635,720)	364,403
Other Financing Sources				
Operating transfers in	<u>2,000,122</u>	<u>1,700,122</u>	<u>1,672,801</u>	<u>(27,321)</u>
Net Change in Fund Balance	(1)	(300,001)	37,081	337,082
Fund Balance				
Beginning of year	<u>87,741</u>	<u>87,741</u>	<u>87,741</u>	<u>-</u>
End of year	<u>\$ 87,740</u>	<u>\$ (212,260)</u>	<u>\$ 124,822</u>	<u>\$ 337,082</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Health Unit
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 708,750	\$ 708,750	\$ 741,895	\$ 33,145
Intergovernmental	21,000	21,000	21,701	701
Interest	<u>22,000</u>	<u>22,000</u>	<u>38,713</u>	<u>16,713</u>
Total revenue	<u>751,750</u>	<u>751,750</u>	<u>802,309</u>	<u>50,559</u>
Expenditures				
Current				
Health and welfare	570,878	570,878	528,973	41,905
Capital outlay	<u>20,000</u>	<u>20,000</u>	<u>15,519</u>	<u>4,481</u>
Total expenditures	<u>590,878</u>	<u>590,878</u>	<u>544,492</u>	<u>46,386</u>
Net Change in Fund Balance	160,872	160,872	257,817	96,945
Fund Balance				
Beginning of year	<u>1,155,448</u>	<u>1,155,448</u>	<u>1,155,448</u>	<u>-</u>
End of year	<u>\$ 1,316,320</u>	<u>\$ 1,316,320</u>	<u>\$ 1,413,265</u>	<u>\$ 96,945</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Community Alert Network
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental	\$ 13,000	\$ 9,725	\$ 9,725	\$ -
Interest	<u>-</u>	<u>-</u>	<u>69</u>	<u>69</u>
Total revenue	<u>13,000</u>	<u>9,725</u>	<u>9,794</u>	<u>69</u>
Expenditures				
Current				
Public safety	<u>13,000</u>	<u>13,000</u>	<u>12,200</u>	<u>800</u>
Total expenditures	<u>13,000</u>	<u>13,000</u>	<u>12,200</u>	<u>800</u>
Net Change in Fund Balance	-	(3,275)	(2,406)	869
Fund Balance				
Beginning of year	<u>12,235</u>	<u>12,235</u>	<u>12,235</u>	<u>-</u>
End of year	<u>\$ 12,235</u>	<u>\$ 8,960</u>	<u>\$ 9,829</u>	<u>\$ 869</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – 911
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental	\$ 348,000	\$ 348,000	\$ 335,692	\$ (12,308)
Interest	<u>6,000</u>	<u>6,000</u>	<u>12,419</u>	<u>6,419</u>
Total revenue	<u>354,000</u>	<u>354,000</u>	<u>348,111</u>	<u>(5,889)</u>
Expenditures				
Current				
Public safety	362,683	362,683	368,881	(6,198)
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>3,616</u>	<u>21,384</u>
Total expenditures	<u>387,683</u>	<u>387,683</u>	<u>372,497</u>	<u>15,186</u>
Net Change in Fund Balance	(33,683)	(33,683)	(24,386)	9,297
Fund Balance				
Beginning of year	<u>391,453</u>	<u>391,453</u>	<u>391,453</u>	<u>-</u>
End of year	<u>\$ 357,770</u>	<u>\$ 357,770</u>	<u>\$ 367,067</u>	<u>\$ 9,297</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Criminal Court
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Fines and forfeitures	\$ 300,000	\$ 265,000	\$ 258,622	\$ (6,378)
Interest	<u>7,000</u>	<u>7,000</u>	<u>13,129</u>	<u>6,129</u>
Total revenue	<u>307,000</u>	<u>272,000</u>	<u>271,751</u>	<u>(249)</u>
Expenditures				
Current				
Judicial	<u>183,606</u>	<u>183,606</u>	<u>153,954</u>	<u>29,652</u>
Total expenditures	<u>183,606</u>	<u>183,606</u>	<u>153,954</u>	<u>29,652</u>
Net Change in Fund Balance	123,394	88,394	117,797	29,403
Fund Balance				
Beginning of year	<u>717,951</u>	<u>717,951</u>	<u>717,951</u>	<u>-</u>
End of year	<u>\$ 841,345</u>	<u>\$ 806,345</u>	<u>\$ 835,748</u>	<u>\$ 29,403</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Juvenile Detention
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Interest	\$ 6,000	\$ 6,000	\$ 35,314	\$ 29,314
Total revenue	<u>6,000</u>	<u>6,000</u>	<u>35,314</u>	<u>29,314</u>
Expenditures				
Current				
Public safety	<u>175,000</u>	<u>175,000</u>	<u>51,482</u>	<u>123,518</u>
Total expenditures	<u>175,000</u>	<u>175,000</u>	<u>51,482</u>	<u>123,518</u>
Net Change in Fund Balance	(169,000)	(169,000)	(16,168)	152,832
Fund Balance				
Beginning of year	<u>1,526,976</u>	<u>1,526,976</u>	<u>1,526,976</u>	<u>-</u>
End of year	<u>\$ 1,357,976</u>	<u>\$ 1,357,976</u>	<u>\$ 1,510,808</u>	<u>\$ 152,832</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Parish Lighting
Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes	\$ 275,000	\$ 275,000	\$ 289,376	\$ 14,376
Intergovernmental	10,079	10,079	13,843	3,764
Interest	<u>32,000</u>	<u>32,000</u>	<u>47,048</u>	<u>15,048</u>
Total revenue	<u>317,079</u>	<u>317,079</u>	<u>350,267</u>	<u>33,188</u>
Expenditures				
Current				
Public works	<u>2,280,000</u>	<u>2,280,000</u>	<u>146,792</u>	<u>2,133,208</u>
Total expenditures	<u>2,280,000</u>	<u>2,280,000</u>	<u>146,792</u>	<u>2,133,208</u>
Net Change in Fund Balance	(1,962,921)	(1,962,921)	203,475	2,166,396
Fund Balance				
Beginning of year	<u>1,752,806</u>	<u>1,752,806</u>	<u>1,752,806</u>	<u>-</u>
End of year	<u>\$ (210,115)</u>	<u>\$ (210,115)</u>	<u>\$ 1,956,281</u>	<u>\$ 2,166,396</u>

West Baton Rouge Parish Council
Statement of Revenue, Expenditures, and Change in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Federal Grants
Year Ended December 31, 2019

	Community Development Block Grant*			
	Total Budget	Expended in Prior Years	Expended in Current Year	Remaining Budget for Future Years
Revenue				
Intergovernmental	\$ 8,197,025	\$ 8,197,025	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenue	<u>8,197,025</u>	<u>8,197,025</u>	-	-
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Urban housing	-	-	-	-
Capital outlay				
Federal operations	8,197,025	8,197,025	-	-
Parish operations	<u>2,184,239</u>	<u>1,986,087</u>	-	-
Total expenditures	<u>10,381,264</u>	<u>10,183,112</u>	-	-
Deficiency of Revenue under Expenditures	(2,184,239)	(1,986,087)	-	-
Other Financing Sources				
Operating transfers in	<u>2,184,239</u>	<u>1,986,087</u>	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Other Federal Grants

<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
Original	Final		
\$ 470,066	\$ 434,769	\$ 432,639	\$ (2,130)
-	-	-	-
<u>470,066</u>	<u>434,769</u>	<u>432,639</u>	<u>(2,130)</u>
18,000	8,500	8,424	76
65,588	65,588	58,650	6,938
80,978	88,485	88,171	314
321,000	321,000	305,976	15,024
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>485,566</u>	<u>483,573</u>	<u>461,221</u>	<u>22,352</u>
(15,500)	(48,804)	(28,582)	20,222
-	-	-	-
<u>(15,500)</u>	<u>(48,804)</u>	<u>(28,582)</u>	<u>20,222</u>
<u>397,054</u>	<u>397,054</u>	<u>397,054</u>	<u>-</u>
<u>\$ 381,554</u>	<u>\$ 348,250</u>	<u>\$ 368,472</u>	<u>\$ 20,222</u>

*For a detailed explanation of the Community Development Block Grant, see page 71.

**Capital Assets Used in the Operations
of Governmental Funds**

**West Baton Rouge Parish Council
Schedule of General Capital Assets
December 31, 2019**

General Capital Assets

Land	\$ 1,760,826
Buildings	44,445,348
Equipment	17,101,258
Infrastructure	55,301,082
Construction in progress	<u>195,302</u>

Total general capital assets \$ 118,803,816

Investment in General Capital Assets

General fund	\$ 94,932,189
Capital projects fund	
Community center	2,015,940
Special revenue funds	
Correctional facility	12,323,998
Roads	4,063,073
Drainage	5,400,646
Health unit	<u>67,970</u>

Total investment in general capital assets \$ 118,803,816

West Baton Rouge Parish Council
Schedule of Changes in General Capital Assets
By Function and Activity
December 31, 2019

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Infra- structure</u>	<u>Construction in Progress</u>	<u>Total</u>
Culture and recreation	\$ 600,614	\$ 19,464,071	\$ 2,132,547	\$ -	\$ -	\$ 22,197,232
Economic development	-	2,099,376	-	-	-	2,099,376
General government						
Administrative	73,250	3,215,510	1,165,760	-	-	4,454,520
Elections	7,200	10,140	5,849	-	-	23,189
Judicial	210,631	4,140,922	94,153	-	-	4,445,706
Legislative	-	-	676,858	-	-	676,858
Other	11,601	305,973	29,828	-	-	347,402
Health and welfare	-	1,201,459	412,827	-	-	1,614,286
Public safety						
Fire	224,900	106,950	-	-	-	331,850
Central communications	-	739,531	-	-	-	739,531
Correctional facility	146,156	11,878,321	445,677	-	-	12,470,154
Sheriff	-	-	24,017	-	-	24,017
911 service	282,445	-	1,677,015	-	-	1,959,460
Other	131,863	942,956	1,194,644	-	-	2,269,463
Public works	<u>72,166</u>	<u>340,139</u>	<u>9,242,083</u>	<u>55,301,082</u>	<u>195,302</u>	<u>65,150,772</u>
	<u>\$ 1,760,826</u>	<u>\$ 44,445,348</u>	<u>\$ 17,101,258</u>	<u>\$ 55,301,082</u>	<u>\$ 195,302</u>	<u>\$ 118,803,816</u>

West Baton Rouge Parish Council
Schedule of Changes in General Capital Assets
By Function and Activity
December 31, 2019

	General Capital Assets January 1, 2019	Additions	Adjustments and Deletions	General Capital Assets December 31, 2019
Culture and recreation	\$ 21,854,464	\$ 347,819	\$ (5,051)	\$ 22,197,232
Economic development	2,099,376	-	-	2,099,376
General government				
Administrative	3,329,917	1,019,097	105,506	4,454,520
Elections	23,189	-	-	23,189
Judicial	4,445,706	-	-	4,445,706
Legislative	684,512	-	(7,654)	676,858
Other	347,402	-	-	347,402
Health and welfare	1,581,705	46,131	(13,550)	1,614,286
Public safety				
Fire	331,850	-	-	331,850
Central communications	739,531	-	-	739,531
Correctional facility	12,321,843	148,311	-	12,470,154
Sheriff	24,017	-	-	24,017
911 service	2,043,930	13,331	(97,801)	1,959,460
Other	2,250,604	31,100	(12,241)	2,269,463
Public works	<u>62,516,707</u>	<u>5,196,620</u>	<u>(2,562,555)</u>	<u>65,150,772</u>
	<u>\$ 114,594,753</u>	<u>\$ 6,802,409</u>	<u>\$ (2,593,346)</u>	<u>\$ 118,803,816</u>

**West Baton Rouge Parish Council
Schedule of Compensation, Benefits, and Other
Payments to Agency Head or Chief Executive Officer
Year Ended December 31, 2019**

Agency Head Name: Riley Berthelot, Jr., Parish President

Purpose	Amount
Salary	\$ 133,411
Benefits - insurance	15,538
Benefits - retirement	15,342
Car allowance	5,400
Reimbursements	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	751
Conference travel	1,974
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	125



**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***

To the Honorable Riley Berthelot, Jr., Parish President, and Council of
West Baton Rouge Parish
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, fiduciary fund, and the aggregate remaining fund information of West Baton Rouge Parish Council, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise West Baton Rouge Parish Council's basic financial statements, and have issued our report thereon dated September 28, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Hawthorn, Waymouth & Carroll, L.L.P.

September 28, 2020

West Baton Rouge Parish Council
Schedule of Findings and Responses
Year Ended December 31, 2019

Part I. Summary of Auditor's Results

- 1) An unmodified opinion has been expressed on the financial statements of West Baton Rouge Parish Council as of and for the year ended December 31, 2019, and the related notes to the financial statements. An adverse opinion has been expressed on the aggregate discretely presented component units as a result of the omission of the financial data for West Baton Rouge Parish Council's legally separate component units from the financial statements as of and for the year ended December 31, 2019.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

West Baton Rouge Parish Council
Summary Schedule of Prior Year Findings
Year Ended December 31, 2019

Part I. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

Part II. Findings and Questioned Costs Related to an Audit Performed in Accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

No findings were noted.

Part III. Management Letter

A management letter was not issued for the year ended December 31, 2018.

West Baton Rouge Parish Council

Agreed-Upon Procedures Report

December 31, 2019



**Independent Accountant's Report
on Applying Agreed-upon Procedures**

To the Honorable President and Members of West Baton Rouge Parish Council and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by West Baton Rouge Parish Council (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those control and compliance areas identified in the SAUPs.

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

The procedures performed and the results thereof are set forth below. The procedures are stated first, followed by the results of the procedures presented in italics.

Written Policies and Procedures

1. Obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

c) ***Disbursements***, including processing, reviewing, and approving.

No exceptions were found as a result of this procedure.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exceptions were found as a result of this procedure.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

No exceptions were found as a result of this procedure.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The Entity's written policies and procedures on contracting do not specifically address criterion (5) monitoring process.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.

No exceptions were found as a result of this procedure.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

The Entity's written policies and procedures on travel and expense reimbursement do not specifically address criterion (4) required approvers.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Entity's written policies and procedures on ethics do not specifically address criterion (3) system to monitor possible ethics violations.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions were found as a result of this procedure.

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Entity's written policies and procedures on disaster recovery/business continuity do not specifically address criteria (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Bank Reconciliations

- 2. Obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected four additional accounts. Randomly selected one month from the

fiscal period, obtained and inspected the corresponding bank statement and reconciliation for each selected account, and observed that:

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

No exceptions were found as a result of this procedure.

- b) Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).

No exceptions were found as a result of this procedure.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

For three of the five accounts selected, there were reconciling items outstanding for more than twelve months from the statement closing date with no documentation reflecting research on the reconciling items.

Ethics

- 3. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees/officials from the listing, obtained ethics documentation from management, and:

- a) Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions were found as a result of this procedure.

- b) Observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

The Entity was not able to provide documentation to demonstrate that each of the selected employees attested through signature verification that he or she has read the Entity's ethics policy during the fiscal period.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Hawthorn, Waymouth & Carroll, L.L.P.

July 30, 2020

WEST BATON ROUGE PARISH COUNCIL

Parish Governmental Authority

www.wbrcouncil.org



COUNCIL MEMBERS

KIRK ALLAIN

District I

CHRIS KERSHAW

District II

ATLEY WALKER JR.

District III

CALEB KLEINPETER

District IV

KENNETH GORDON

District V

CAREY DENSTEL

District VI

ALAN CROWE

District VII

CRAIG BERGERON

District VIII

GARY JOSEPH

District IX

RILEY BERTHELOT, JR.

Parish President

Direct: 225-336-2403

880 North Alexander Avenue

Post Office Box 757

Port Allen, Louisiana 70767

Administration: 225-383-4755

Fax: 225-387-0218

MICHELLE TULLIER

Council Clerk

Council: 225-214-4242

Fax: 225-214-4243

July 30, 2020

Hawthorn, Waymouth & Carrol, L.L.P.
8545 United Plaza Boulevard, Suite 200
Baton Rouge, Louisiana 70809

We hereby acknowledge our agreement with the exceptions noted in your report on applying agreed-upon procedures to certain control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Up Upon Procedures, for the fiscal period January 1, 2019 through December 31, 2019. We will address the exceptions and take the necessary action to correct them.

Sincerely,

Phillip Bourgoyne, Finance Director
West Baton Rouge Parish Council