

# East Feliciana Parish Police Jury

Clinton, Louisiana

## Annual Financial Statements

As of and for the Year Ended December 31, 2019  
With Supplementary Information



**BRUCE HARRELL & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

**East Feliciana Parish Police Jury  
Clinton, Louisiana**

**Annual Financial Statements  
As of and for the Year Ended December 31, 2019  
With Supplementary Information**

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**East Feliciana Parish Police Jury**  
**Annual Financial Statements**  
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**With Supplementary Information**

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## Independent Auditor's Report

To the East Feliciana Parish Police Jury  
Clinton, LA 70722

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Police Jury, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the East Feliciana Parish Police Jury's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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, qualified, and adverse audit opinions.

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East Feliciana Parish Police Jury  
Independent Auditor's Report  
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***Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Governmental Activities***

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

Additionally, as described in Note 15, there is a potential contingent liability to the financial statements of the governmental activities related to the parish coroner. The impact, if any, to the assets, deferred outflows of resources, liabilities, net position, and expenses of the governmental activities has not been determined.

***Adverse Opinion***

In our opinion, because of the significance of the matter discussed in the "*Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Governmental Activities*" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the East Feliciana Parish Police Jury, 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.

***Qualified Opinion***

In our opinion, except for the possible effects of the matter described in the "*Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Governmental Activities*" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the East Feliciana Parish Police Jury, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

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

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***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 11-18 and 58-60, as well as the information presented in the Schedules of the Police Jury's Proportionate Share of the Net Pension Liability on pages 61-62, and the Schedules of the Police Jury's Contributions on pages 63-64, 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 response 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 of the financial statements that collectively comprise the East Feliciana Parish Police Jury's basic financial statements. The accompanying schedules listed as Other Supplementary Information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Cost of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The accompanying schedules listed as Other Supplementary Information in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to 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 schedules listed as Other Supplementary Information in the table of contents and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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East Feliciana Parish Police Jury  
Independent Auditor's Report  
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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2020, based on our consideration of the East Feliciana Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the East Feliciana Parish Police Jury's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Bruce Harrell & Co." with a stylized flourish at the end.

Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, LA

October 12, 2020



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Required Supplementary Information (Part I)  
Management's Discussion and Analysis

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Introduction**

The East Feliciana Parish Police Jury is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments* (GASB 34), as amended. The amendment of GASB Statement No. 34, including the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and applicable standards are more fully described in *Footnote 1 – Summary of Significant Accounting Policies*.

The Police Jury's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Police Jury's financial activity, (c) identify changes in the Police Jury's financial position, (d) identify any significant variations from the Police Jury's financial plan, and (e) identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplementary Information ("RSI") that is provided in addition to this MD&A.

**Financial Highlights**

- At December 31, 2019, the Police Jury's assets exceeded its liabilities by \$20,759,306 (net position). Of this amount, \$2,607,712 (unrestricted net position) may be used to meet the Police Jury's ongoing obligations to its citizens.
- For the year ended December 31, 2019, the total net position increased by \$391,643.
- The Police Jury entered into two new capital lease agreements in the amount of \$465,827 for motor graders. After lease payments during the fiscal year, the remaining balance on these capital leases is \$462,510.

**Overview of the Annual Financial Report**

This discussion and analysis is intended to serve as an introduction to the East Feliciana Parish Police Jury's financial statements. The East Feliciana Parish Police Jury's basic financial statements comprise 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 East Feliciana Parish Police Jury's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the East Feliciana Parish Police Jury's assets and liabilities using the accrual basis of accounting, the difference between the assets and liabilities is 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 East Feliciana Parish Police Jury is improving or deteriorating.

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as 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., uncollected taxes).

The governmental activities of the East Feliciana Parish Police Jury include general government, public safety, public works, cultural and recreation, health and welfare, and economic development. The East Feliciana Parish Police Jury does not at this time have any business-type activities.

The government-wide financial statements can be found on pages 20-21 of this report.

### **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 East Feliciana Parish Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Police Jury can be divided into two categories: governmental funds and fiduciary funds.

**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, government 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 fiscal 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 effects of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The East Feliciana Parish Police Jury maintains six individual governmental funds. Information is presented separately in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General, Roads and Bridges, and Solid Waste, each of which are considered to be major funds. Data from the other three governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The East Feliciana Parish Police Jury adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements for the major funds have been provided herein to demonstrate compliance with those budgets.

The basic governmental fund financial statements can be found on pages 23-28 of this report.

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are reflected in the government-wide financial statements because the resources of those funds are *not* available to support the East Feliciana Parish Police Jury's own programs.

The basic fiduciary fund financial statements can be found on page 30 of this report.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 56 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. This includes the combined and combining and individual fund statements and schedules which can be found on pages 66-67 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Police Jury's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on page 20 of this report.

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Net Position  
2019 and 2018**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
Assets:		
Current and Other Assets	\$ 9,349,039	\$ 7,950,716
Capital Assets	13,351,429	12,694,903
Other Assets	-	118,139
Total Assets	<u>22,700,468</u>	<u>20,763,758</u>
Deferred Outflows of Resources		
Pension Related	738,406	303,719
Total Deferred Outflows of Resources	<u>738,406</u>	<u>303,719</u>
Liabilities:		
Long-Term Debt Outstanding	1,231,946	104,188
Other Liabilities	1,382,404	223,956
Total Liabilities	<u>2,614,350</u>	<u>328,144</u>
Deferred Inflows of Resources		
Pension Related	65,218	371,670
Total Deferred Inflows of Resources	<u>65,218</u>	<u>371,670</u>
Net Position:		
Net Investment in Capital Assets	12,888,919	12,694,903
Restricted	5,262,675	5,384,755
Unrestricted	2,607,712	2,288,005
Total Net Position	<u>\$ 20,759,306</u>	<u>\$ 20,367,663</u>

One of the largest portions of the East Feliciana Parish Police Jury's net position (62 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The East Feliciana Parish Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the East Feliciana Parish Police Jury'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 liquidate these liabilities.

An additional portion of the East Feliciana Parish Police Jury's net position (25 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance or *unrestricted net position* (13 percent) may be used to meet the government's on-going obligations to its citizens.

The Police Jury's activities increased its total net position by \$391,643 during the current fiscal year.

In order to further understand what makes up the changes in net position, the table on the following page provides a summary of the results of the Police Jury's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on page 21 of this report.

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Changes in Net Position**

**For the years ended December 31, 2019 and 2018**

	Governmental Activities		Variance	
	2019	2018	Amount	Percentage
Revenues:				
Program Revenues:				
Charges for Services	\$ 466,262	\$ 461,172	\$ 5,090	1%
Operating Grants and Contributions	279,417	264,479	14,938	6%
Capital Grants and Contributions	2,376,326	407,867	1,968,459	483%
General Revenues:				
Property Taxes	989,356	1,073,939	(84,583)	-8%
Sales Taxes	4,421,940	4,176,470	245,470	6%
Severance Taxes	377,878	357,230	20,648	6%
Franchise Taxes	10,678	11,016	(338)	-3%
Fire Insurance Rebates	82,311	82,063	248	0%
Intergovernmental	289,791	182,768	107,023	59%
Interest Income	47,560	62,686	(15,126)	-24%
Miscellaneous	138,153	117,286	20,867	18%
Gain (Loss) on Disposition of Assets	-	76,803	(76,803)	-100%
<b>Total Revenues</b>	<b>9,479,672</b>	<b>7,273,779</b>	<b>2,205,893</b>	<b>30%</b>
Expenses:				
General Government	1,231,215	1,324,841	(93,626)	-7%
Public Safety	1,441,880	1,316,065	125,815	10%
Public Works	31,998	131,026	(99,028)	-76%
Sanitation	1,805,391	1,753,440	51,951	3%
Health and Welfare	483,213	501,544	(18,331)	-4%
Streets	4,085,232	1,971,285	2,113,947	107%
Recreation	3,709	15,932	(12,223)	-77%
Economic Development	4,177	5,254	(1,077)	-20%
Capital Lease Interest	1,214	-	1,214	100%
<b>Total Expenses</b>	<b>9,088,029</b>	<b>7,019,387</b>	<b>2,068,642</b>	<b>29%</b>
<b>Increase (Decrease) in Net Position</b>	<b>391,643</b>	<b>254,392</b>	<b>137,251</b>	<b>-54%</b>
Net Position - Beginning	20,367,663	20,059,792	307,871	-
Prior Period Adjustments	-	53,479	(53,479)	-100%
Net Position - Beginning (Restated)	20,367,663	20,113,271	254,392	-
<b>Net Position, Ending</b>	<b>\$ 20,759,306</b>	<b>\$ 20,367,663</b>	<b>\$ 391,643</b>	<b>2%</b>

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Governmental Activities**

Governmental activities decreased the East Feliciana Parish Police Jury's net position by \$391,643. Key elements of this change in net position as shown on the previous page are as follows:

- Total Revenues increased by \$2,205,893 or thirty percent during the year primarily due to the increase in capital grants in the amount of \$1,968,459 and sales taxes in the amount of \$245,470.
- Total Expenses increased by \$2,068,642 or by approximately twenty-nine percent during the year. The largest increases during 2019 were in street expenses of \$2,113,947, public safety expenses in the amount of \$125,815, and sanitation expenses of \$51,951. These increases were partially offset by decreases to public works expenses of \$99,028 and general government expenses of \$93,626.
- The increase in net position for 2019 was \$391,643, which was an increase from the previous year by \$137,251.

**Fund Financial Analysis**

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

**Governmental Funds**

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

As of the end of the current fiscal year, the East Feliciana Parish Police Jury's governmental funds reported combined ending fund balances of \$6,779,985, a decrease of \$739,078. Approximately twenty-two percent of this total amount, \$1,517,310 constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

The general fund is the chief operating fund of the East Feliciana Parish Police Jury. At the end of the current fiscal year, unassigned fund balance of the general fund was \$895,742. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund operating expenditures plus other financing uses totaling \$3,613,638. Unassigned fund balance represents approximately 25 percent of total general fund operating expenditures and other financing source outflows.

The fund balance of the East Feliciana Parish Police Jury's general fund decreased by \$756,655 during the current fiscal year.

The Roads and Bridges Fund had an increase in fund balance for the current year of \$139,657, for an ending total of \$621,568 at December 31, 2019.

The Solid Waste Fund has a total fund balance of \$4,656,621 which increased by \$144,558.



**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Major Fund Budgetary Highlights**

Total revenues and other sources and total expenditures and other uses for the East Feliciana Parish Police Jury were within five percent of budgeted revenues and other sources and expenditures and other uses for the fiscal year ending December 31, 2019, except as follows:

- General fund revenues and other sources were below budgeted revenues and other sources by thirteen percent. This was due to budgeted transfers from other funds not being made.
- General fund expenditures and other uses were above budgeted expenditures and other sources by seven percent. This was due to budgeted transfers to other funds not being made.
- Roads and Bridges fund expenditures and other sources were above budgeted expenditures and other sources by forty-eight percent. This was due to expenditures from the FEMA projects that were incurred at the end of the fiscal year.
- Solid Waste fund revenues and other sources were below budgeted revenue and other sources by seven percent. This was due to budgeted transfers from other funds not being made.

**Capital Assets and Debt Administration**

**Capital Assets**

The East Feliciana Parish Police Jury's investment in capital assets for its governmental activities as of December 31, 2019, amounted to \$13,351,429 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure.

The following table provides a summary of the Police Jury's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 7 to the financial statements on page 43 of this report.

**Capital Assets (Net of Depreciation)  
2019 and 2018**

Capital Assets	Governmental Activities		Increase (Decrease)	Percentage Increase (Decrease)
	2019	2018		
Land	\$ 259,230	\$ 259,230	\$ -	-
Construction in Progress	191,761	97,957	93,804	96%
Buildings and Improvements	10,527,997	10,178,147	349,850	3%
Equipment and Vehicles	5,228,573	4,182,636	1,045,937	25%
Streets and Bridges	8,807,479	8,807,479	-	-
Subtotal Capital Assets	25,015,040	23,525,449	1,489,591	6%
Less: Accumulated Depreciation	(11,663,611)	(10,830,546)	(833,065)	-8%
<b>Capital Assets, Net</b>	<b>\$ 13,351,429</b>	<b>\$ 12,694,903</b>	<b>\$ 656,526</b>	<b>5%</b>

**East Feliciana Parish Police Jury  
Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2019**

**Long-Term Obligations**

At December 31, 2019, the Police Jury had total long-term obligations of \$1,314,096. The following table provides a summary of the Police Jury's outstanding debt at the end of the current year as compared to the prior year. For more detailed information, see Note 11 to the financial statements on pages 45 of this report.

**Outstanding Debt  
2019 and 2018**

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Long Term Debt		
Compensated Absences	\$ 16,350	\$ 14,431
Net Pension Liability	835,236	49,257
Other Non-Current Liabilities	-	40,500
Capital Leases	<u>462,510</u>	<u>-</u>
Total Long Term Debt	<u>\$ 1,314,096</u>	<u>\$ 104,188</u>

**Economic Factors and Next Year's Budgets and Rates**

The following factors were considered in preparing the East Feliciana Police Jury's budget for the 2019 fiscal year:

- The two major revenue sources for the general fund, excluding sales taxes, are ad valorem taxes and severance taxes. Ad valorem taxes decreased \$4,663 in 2019. Ad valorem taxes were budgeted at \$490,000 for 2020. Severance tax decreased \$9,923 in 2019. Severance tax for the General Fund was budgeted at \$173,000 for 2020.
- Sales tax revenues increased by approximately \$245,470 in 2019. The General Fund, Roads and Bridges Fund, and Solid Waste Fund combined have budgeted sales tax revenues at \$4,287,000 for 2020.

**Request for Information**

This financial report is designed to provide a general overview of the East Feliciana Parish Police Jury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jody Moreau, Parish Manager, P.O. Box 427, Clinton, Louisiana 70722; telephone (225) 683-8577.

**Basic Financial Statements**  
**Government-Wide Financial Statements**

**East Feliciana Parish Police Jury  
Statement of Net Position  
As of December 31, 2019**

**Statement A**

		<b>Primary Government Governmental Activities</b>
		<u>                    </u>
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$	5,626,294
Receivables, Net:		3,675,463
Prepaid Insurance and Other Assets		47,282
Total Current Assets		<u>9,349,039</u>
Capital Assets:		
Land		259,230
Construction in Progress		191,761
Capital Assets, Net		12,900,438
Total Capital Assets		<u>13,351,429</u>
<b>Total Assets</b>		<u>22,700,468</u>
<b>Deferred Outflows of Resources</b>		
Pension Related		738,406
<b>Total Deferred Outflows of Resources</b>		<u>738,406</u>
<b>Liabilities</b>		
Current Liabilities:		
Accounts Payable		1,135,172
Other Accrued Payables		165,082
Current Portion of Long Term Indebtedness		
Capital Leases		82,150
Total Current Liabilities		<u>1,382,404</u>
Long Term Liabilities:		
Capital Leases		380,360
Compensated Absences Payable		16,350
Net Pension Liability		835,236
Total Long Term Liabilities		<u>1,231,946</u>
<b>Total Liabilities</b>		<u>2,614,350</u>
<b>Deferred Inflows of Resources</b>		
Pension Related		65,218
<b>Total Deferred Inflows of Resources</b>		<u>65,218</u>
<b>Net Position</b>		
Net Investment in Capital Assets		12,888,919
Restricted for:		
Other Purposes		5,262,675
Unrestricted		2,607,712
<b>Total Net Position</b>	\$	<u>20,759,306</u>

The accompanying notes are an integral part of this statement.

## Statement B

East Feliciana Parish Police Jury  
Statement of Activities  
For the year ended December 31, 2019

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government Governmental Activities
<b>Governmental Activities</b>					
General Government	\$ 1,231,215	\$ 194,771	\$ 20,010	\$ 4,998	\$ (1,011,436)
Public Safety	1,441,880	266,846	91,292	17,557	(1,066,185)
Public Works	31,998	-	-	-	(31,998)
Sanitation	1,805,391	-	-	-	(1,805,391)
Health and Welfare	483,213	-	165,422	-	(317,791)
Transportation	4,085,232	4,645	-	2,353,771	(1,726,816)
Recreation	3,709	-	-	-	(3,709)
Economic Development	4,177	-	2,693	-	(1,484)
Capital Lease Interest	1,214	-	-	-	(1,214)
<b>Total Governmental Activities</b>	<b>9,088,029</b>	<b>466,262</b>	<b>279,417</b>	<b>2,376,326</b>	<b>(5,966,024)</b>
<b>General Revenues:</b>					
Taxes:					
Property Taxes					989,356
Sales Taxes					4,421,940
Franchise Taxes					10,678
Severance Taxes					377,878
Fire Insurance Rebates					82,311
Intergovernmental					
State Revenue Sharing					154,684
Other					135,107
Investment Earnings					47,560
Miscellaneous					138,153
<b>Total General Revenues and Transfers</b>					<b>6,357,667</b>
<b>Change in Net Position</b>					<b>391,643</b>
<b>Net Position - Beginning</b>					<b>20,367,663</b>
<b>Net Position - Ending</b>					<b>\$ 20,759,306</b>

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Fund Financial Statements

**East Feliciana Parish Police Jury**  
**Balance Sheet, Governmental Funds**  
**As of December 31, 2019**

	<u>Major Funds</u>			<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Road &amp; Bridges Fund</u>	<u>Solid Waste Fund</u>	<u>Other Governmental Funds</u>		
<b>Assets</b>						
Cash and Equivalents	\$ 944,988	\$ 2,170,597	\$ 2,420,692	\$ 90,017	\$	5,626,294
Investments	-	-	-	-	-	-
Receivables, Net:	674,762	1,831,539	367,886	563,834	-	3,438,021
Due From Other Funds	1,702	308,469	1,975,000	41,404	-	2,326,575
Restricted Cash	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 1,621,452</u>	<u>\$ 4,310,605</u>	<u>\$ 4,763,578</u>	<u>\$ 695,255</u>	<u>\$</u>	<u>11,390,890</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
Liabilities:						
Accounts Payable	\$ 33,601	\$ 989,172	\$ 105,255	\$ 7,144	\$	1,135,172
Retainage Payable	-	81,707	-	-	-	81,707
Other Accrued Liabilities	62,477	-	-	20,898	-	83,375
Due to Other Funds	575,631	1,511,800	1,702	-	-	2,089,133
Total Liabilities	<u>671,709</u>	<u>2,582,679</u>	<u>106,957</u>	<u>28,042</u>	<u>\$</u>	<u>3,389,387</u>
Deferred Inflows of Resources:						
Unavailable Ad Valorem Taxes	54,001	-	-	61,159	-	115,160
Unavailable FEMA Grants	-	1,106,358	-	-	-	1,106,358
Total Deferred Inflows of Resources	<u>54,001</u>	<u>1,106,358</u>	<u>-</u>	<u>61,159</u>	<u>\$</u>	<u>1,221,518</u>
Fund Balances:						
Restricted	-	-	4,656,621	606,054	-	5,262,675
Unassigned	895,742	621,568	-	-	-	1,517,310
Total Fund Balances	<u>895,742</u>	<u>621,568</u>	<u>4,656,621</u>	<u>606,054</u>	<u>\$</u>	<u>6,779,985</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 1,621,452</u>	<u>\$ 4,310,605</u>	<u>\$ 4,763,578</u>	<u>\$ 695,255</u>	<u>\$</u>	<u>11,390,890</u>

The accompanying notes are an integral part of this statement.

**East Feliciana Parish Police Jury**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Financial Statement of Net Position**  
**As of December 31, 2019**

Amounts reported for governmental activities in the Statement of Net Position are different because:

<b>Fund Balances, Total Governmental Funds (Statement C)</b>	\$ 6,779,985
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.	
Governmental capital assets net of depreciation	13,351,429
Prepaid Insurance not recorded in the fund basis financial statements	47,282
Ad valorem taxes collected after year-end, but not available soon enough to pay for current expenditures	115,160
FEMA payments collected after year-end, but not available soon enough to pay for current expenditures	1,106,358
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental funds.	
Capital Leases Payable	(462,510)
Compensated Absences Payable	(16,350)
Net Pension Liability	(835,236)
Deferred Outflows of Resources	738,406
Deferred Inflows of Resources	(65,218)
<b>Net Position of Governmental Activities (Statement A)</b>	<u>\$ 20,759,306</u>



**East Feliciana Parish Police Jury**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the year ended December 31, 2019**

	<u>Major Funds</u>			<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Road &amp; Bridges Fund</u>	<u>Solid Waste Fund</u>	<u>Other Governmental Funds</u>	
<b>Revenues</b>					
Taxes					
Ad valorem	\$ 493,396	\$ -	\$ -	\$ 539,284	\$ 1,032,680
Other	10,678	-	-	-	10,678
Sales and Use	687,062	1,862,510	1,872,368	-	4,421,940
Licenses and Permits	364,301	4,645	-	-	368,946
Intergovernmental					
Grants - Federal	53,201	997,763	-	-	1,050,964
Grants - State	7,691	-	-	-	7,691
Other	366,520	249,650	-	16,320	632,490
Severance Taxes	170,231	207,647	-	-	377,878
State Revenue Sharing	102,296	-	-	52,388	154,684
Charges for Services	7,429	-	-	-	7,429
Fines and Forfeitures	-	-	-	86,827	86,827
Investment Earnings	9,361	11,720	21,940	4,539	47,560
Rent	53,810	-	-	-	53,810
Donations	55,648	-	-	-	55,648
Miscellaneous	77,129	5,620	-	4,654	87,403
<b>Total Revenues</b>	<u>2,458,753</u>	<u>3,339,555</u>	<u>1,894,308</u>	<u>704,012</u>	<u>8,396,628</u>

(Continued)

The accompanying notes are an integral part of this statement.

**East Feliciana Parish Police Jury**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the year ended December 31, 2019**

	General Fund	Road & Bridges Fund	Solid Waste Fund	Other Governmental Funds	Total Governmental Funds
<b>Expenditures</b>					
<b>General Government</b>					
Salaries	\$ 394,548	\$ -	\$ -	\$ -	\$ 394,548
Benefits and Payroll Taxes	98,761	-	-	-	98,761
General and Administrative	108,533	-	-	-	108,533
Insurance	79,861	-	-	-	79,861
Other operating	154,389	-	-	-	154,389
Professional Fees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Statutory Payments to Assessor	19,006	-	-	-	19,006
<b>Total General Government</b>	<b>855,098</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>855,098</b>
<b>Public Safety</b>					
Salaries	405,704	-	-	60,000	465,704
Benefits and Payroll Taxes	90,656	-	-	7,770	98,426
General and Administrative	7,155	-	-	-	7,155
Insurance	8,633	-	-	-	8,633
Fuel	6,310	-	-	-	6,310
Other operating	147,093	-	-	-	147,093
Payments for Prisoners	432,603	-	-	-	432,603
Repairs and Maintenance	28,906	-	-	-	28,906
Supplies	-	-	-	54,400	54,400
Telephone	4,828	-	-	-	4,828
Utilities	16,583	-	-	-	16,583
Fire	82,311	-	-	-	82,311
<b>Total Public Safety</b>	<b>1,230,782</b>	<b>-</b>	<b>-</b>	<b>122,170</b>	<b>1,352,952</b>
<b>Public Works</b>					
Salaries	-	498,549	-	-	498,549
Benefits and Payroll Taxes	-	146,279	-	-	146,279
General and Administrative	-	8,294	-	-	8,294
Insurance	-	139,203	-	-	139,203
Other operating	31,998	10,515	-	-	42,513
Professional Fees	-	61,895	-	-	61,895
Repairs and Maintenance	-	272,771	-	-	272,771
Road Materials	-	198,159	-	-	198,159
Supplies	-	101,608	-	-	101,608
Utilities	-	19,029	-	-	19,029
Vehicle Expenses	-	102,517	-	-	102,517
<b>Total Public Works</b>	<b>31,998</b>	<b>1,558,319</b>	<b>-</b>	<b>-</b>	<b>1,590,817</b>
<b>Sanitation</b>					
Salaries	-	-	192,507	-	192,507
Benefits	-	-	33,317	-	33,317
General and Administrative	-	-	3,263	-	3,263
Insurance	-	-	49,751	-	49,751
Fuel	-	-	22,636	-	22,636
Other operating	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Waste Collection	-	-	1,448,276	-	1,448,276
<b>Total Sanitation</b>	<b>-</b>	<b>-</b>	<b>1,749,750</b>	<b>-</b>	<b>1,749,750</b>
<b>Health and Welfare</b>					
Salaries	-	-	-	119,758	119,758
Benefits and Payroll Taxes	-	-	-	23,321	23,321
Insurance	-	-	-	8,181	8,181
Fuel	-	-	-	2,444	2,444
Other operating	150,855	-	-	198,378	349,233
Statutory Payments to Assessor	-	-	-	20,898	20,898
Utilities	-	-	-	-	-
<b>Total Health and Welfare</b>	<b>150,855</b>	<b>-</b>	<b>-</b>	<b>372,980</b>	<b>523,835</b>
<b>Recreation</b>					
Other operating	3,709	-	-	-	3,709
<b>Total Recreation</b>	<b>3,709</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,709</b>
<b>Economic Development</b>					
Insurance	-	-	-	-	-
Other operating	4,177	-	-	-	4,177
<b>Total Economic Development</b>	<b>4,177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,177</b>
Capital Outlays	309,705	988,125	-	-	1,297,830
<b>Debt Service</b>					
Principal	-	3,317	-	-	3,317
Interest	-	1,214	-	-	1,214
<b>Total Expenditures</b>	<b>2,586,324</b>	<b>2,551,475</b>	<b>1,749,750</b>	<b>495,150</b>	<b>7,382,699</b>
<b>Excess (Deficiency) of Revenues Over (Under) (Expenditures)</b>	<b>(127,571)</b>	<b>788,080</b>	<b>144,558</b>	<b>208,862</b>	<b>1,013,929</b>

(Continued)

The accompanying notes are an integral part of this statement.

**East Feliciana Parish Police Jury**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the year ended December 31, 2019**

	<u>General Fund</u>	<u>Road &amp; Bridges Fund</u>	<u>Solid Waste Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	\$ 398,230	\$ 1,104,584	\$ -	\$ 174,500	\$ 1,677,314
Operating Transfers (Out)	(1,027,314)	-	-	(650,000)	(1,677,314)
Sale of Capital Assets	-	-	-	-	-
Flood Expenses	-	(2,218,834)	-	-	(2,218,834)
Proceeds from Lease	-	465,827	-	-	465,827
Proceeds from Insurance	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(629,084)</u>	<u>(648,423)</u>	<u>-</u>	<u>(475,500)</u>	<u>(1,753,007)</u>
<b>Net Change in Fund Balances</b>	<u>(756,655)</u>	<u>139,657</u>	<u>144,558</u>	<u>(266,638)</u>	<u>(739,078)</u>
<b>Fund Balances, Beginning</b>	<u>1,652,397</u>	<u>481,911</u>	<u>4,512,063</u>	<u>872,692</u>	<u>7,519,063</u>
<b>Fund Balances, Ending</b>	<u>\$ 895,742</u>	<u>\$ 621,568</u>	<u>\$ 4,656,621</u>	<u>\$ 606,054</u>	<u>\$ 6,779,985</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**East Feliciana Parish Police Jury**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Government-Wide Statement of Activities**  
**For the year ended December 31, 2019**

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

**Net Change in Fund Balances, Total Governmental Funds, Statement E** \$ (739,078)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, net of the gain on the sale of capital assets, which also is not reflected in the fund basis financial statements.

Expenditures for capital assets	\$	1,489,591	
Less:			
Current year depreciation		(833,065)	
			656,526

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Lease Obligation proceeds		(465,827)	
Repayment of Principal		3,317	
			(462,510)

In the Statement of Activities, certain operating expenses-compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, (essentially, the amounts actually paid) vacation and sick time earned exceeded the amounts used. (1,919)

Non-employer contributions to cost-sharing pension plan 20,010

Pension Expense (182,989)

Insurance which covers future periods is reflected in expenditures on the governmental funds. However, the statement of net position accounts for the expenses as a prepaid (1,931)

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. 40,500

Deferred inflows of resources for ad valorem taxes collected after year end, but not available soon enough to pay for current expenditures changed by the following amount. (43,324)

Deferred inflows of resources for FEMA payments collected after year end, but not available soon enough to pay for current expenditures changed by the following amount. 1,106,358

**Change in Net Position of Governmental Activities, Statement B** \$ 391,643

**Basic Financial Statements**  
Fiduciary Fund Financial Statements

**East Feliciana Parish Police Jury**  
**Statement of Net Position - Fiduciary Funds**  
**As of December 31, 2019**

	<u>Agency Funds</u>	
	<u>Library Fund</u>	<u>Sales Tax</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 140	\$ -
Receivables, Net:		
Property Taxes	-	-
Sales Tax	-	193,805
Due from Others	-	-
<b>Total Assets</b>	<u>\$ 140</u>	<u>\$ 193,805</u>
<b>Liabilities</b>		
Due to Audubon Regional Library	\$ 140	\$ -
Held for Taxing Bodies	-	193,804
<b>Total Liabilities</b>	<u>\$ 140</u>	<u>\$ 193,804</u>

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Notes to the Financial Statements

**East Feliciana Parish Police Jury**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 2019**

**Introduction**

The East Feliciana Parish Police Jury is the governing authority for East Feliciana Parish and is a political subdivision of the State of Louisiana. The police jury is governed by nine jurors representing various districts within the parish. The jurors serve four-year terms.

Louisiana Revised Statute 33:1236 gives the police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

East Feliciana Parish is located in the southeast portion of Louisiana, and has a population of approximately 21,360 residents. The area of East Feliciana Parish includes 455 square miles wherein 288 miles of road are maintained. The East Feliciana Parish Police Jury employs an estimated 67 employees.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the Parish. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, and health care facilities.

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

Governmental Accounting Standards Board (GASB) Statement No.14, *the Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be considered part of the East Feliciana Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. These criteria include:

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



**East Feliciana Parish Police Jury  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2019**

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

<b>Component Unit</b>	<b>Criteria Used</b>
Audubon Regional Library	2, 3
Water District No. 7	1, 3
Gas Utility District No. 1	1, 3
Gas Utility District No. 2	1, 3
East Feliciana Council on Aging	2, 3
East Feliciana Parish Sheriff	2, 3
East Feliciana Parish Clerk of Court	2, 3
East Feliciana Parish Tax Assessor	2, 3
20th Judicial District Attorney	2, 3
East Feliciana Parish Emergency Communications Commission	1, 2
East Feliciana Parish Fire Protection District	1, 3

The primary government's (Police Jury) financial statements include all funds under the Police Jury's control and certain organizations for which the Jury maintains the accounting records. The Police Jury maintains the accounting records for the 20<sup>th</sup> Judicial District Criminal Court Fund. This fund is considered a part of the Police Jury and is included in the primary government financial statements as it is not considered to be a separate reporting entity. The Police Jury has chosen to issue financial statements of the primary government (Police Jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements. The effect of the omission of these component units is unknown. The financial statements for the above component units can be found at the Louisiana Legislative Auditor at [www.lla.la.gov](http://www.lla.la.gov).

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Police Jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Police Jury).

Also considered in the determination of component units of the reporting entity were the various municipalities and nonprofit entities of the Parish. It was determined that these governmental and nonprofit entities are not component units of East Feliciana Parish Police Jury reporting entity. These entities have separately elected governing bodies, are legally separate, and are fiscally independent of the Police Jury. They are considered by the Police Jury to be separate autonomous entities and issue financial statements separate from those of East Feliciana Parish Police Jury reporting entity.

**1. Summary of Significant Accounting Policies**

**A. Government-Wide and Fund Financial Statements**

The accompanying basic financial statements of the East Feliciana Parish Police Jury have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Statement No. 34 established standards for

**East Feliciana Parish Police Jury**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 2019**

financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The Police Jury has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, that require capital contributions to the Police Jury to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote J – Net Position and Fund Balance*. The Police Jury adopted GASB Statement No. 63 for the fiscal year ended December 31, 2012. The Police Jury had deferred outflows and deferred inflows of resources related to pension of \$738,406 and \$65,218, respectively, at December 31, 2019.

The East Feliciana Police Jury has also previously adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The application of this standard to long-term debt offerings of the Police Jury is more fully described in *Footnote I – Long-Term Obligations*.

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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.

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Separate financial statements are provided for governmental funds and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds are presented as separate columns in the fund financial statements.

**B. 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, as are the fiduciary fund financial statements. 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 revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Police Jury reports the following major governmental funds:

- The *General Fund* is the Police Jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Road District and Maintenance Fund* is a special revenue fund used to account for the operations and road maintenance of parish roads.
- The *Solid Waste Management Sales Tax Fund* is a special revenue fund used to account for the operations of a solid waste program for the Parish of East Feliciana.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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When restricted, committed, assigned, or unassigned fund balances are available, the Police Jury considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restrictions, commitment, or assignment actions.

**C. Deposits and Investments**

The Police Jury's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Police Jury's investment policy allow the Police Jury to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments for the Police Jury are reported at fair market value.

**D. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Uncollectible accounts due for Ad Valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

Property Taxes

Property taxes are levied on or about October 1<sup>st</sup> for the current year and are invoiced/collected by the East Feliciana Parish Sheriff. Taxes are due by December 31<sup>st</sup> following the levy date and are considered delinquent after the due date. The General, Health Unit, and Library Funds benefit from authorized and levied ad valorem taxes on property located within the Parish, (1) General Fund – 2.77 mills except the Town of Jackson which is 1.38 mills; (2) Health Unit – 3.00 mills; and (3) Library Fund – 2.5 mills.

Sales and Use Taxes

The Police Jury receives the following sales taxes approved by the voters of the Parish: (1) 1% designated for roads and bridges; (2) 1% designated for solid waste management; and (3) 1% split between the General Fund and Roads and Bridges fund.

The Police Jury and the East Feliciana Parish School Board have entered into an agreement in which the School Board is to collect the sales and use taxes for a stipulated fee. The School Board remits the tax proceeds to the Police Jury on a monthly basis.

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**E. Inventories and Prepaid Items**

The Police Jury utilizes the “purchase method” of accounting for supplies in governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. The Police Jury did not record any inventory at December 31, 2019, as the amount is not material. Certain payments for insurance reflect cost applicable to future accounting periods. The Government Wide financial statements reflect prepaid insurance cost applicable to future accounting periods. The Police Jury recognizes expenditures for insurance and similar services extending over more than one accounting period when paid in the fund financial statements.

**F. Restricted Net Position**

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

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$2,500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 Years
Roads, Bridges, and Infrastructure	40 - 50 Years
Equipment	5 - 10 Years
Furniture/Computers	7 Years
Vehicles	5 Years

**H. Compensated Absences**

Full-time employees of the Police Jury earn annual leave depending on length of service as follows: a) one week after one year of service; b) two weeks after two years of service; c) three weeks after five years of service; and d) four weeks after ten years of service.

Hourly employees of the Police Jury earn annual leave depending on length of service as follows: a) one week after one year of service; b) two weeks after three years of service; c) three weeks after six years of service; and d) four weeks after twelve years of service. Only one week of annual leave may be carried over to the next calendar year. Employees are not paid for their unused annual leave at year end, but are paid accumulated, unused leave upon termination at the employee’s current rate of pay.

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Sick leave shall be earned on the basis of years of employment as follows:

- 1) Full-time employees – forty hours after one year, plus twelve hours for each additional year of service
- 2) Part-time employees – prorated on the number of days worked per year as follows:
  - a) three days a week (156 days yearly) = 62% or seven hours per year
  - b) two days a week (104 days yearly) = 40% or five hours per year
  - c) five days per month (60 days yearly) = 23% or three hours per year

Only 320 hours (8 weeks) can be carried forward each year. Two weeks is the maximum amount of sick time that can be earned in one year. Employee are not paid for any accumulated sick leave at termination.

#### **I. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, were previously deferred and amortized over the life of the bonds using the effective interest method. Bonds payable were reported net of the applicable bond premium or discount.

The Police Jury adopted GASB 65 for the fiscal year end December 31, 2012, which required governmental entities to expense bond issuance costs in the period incurred. The Police Jury also adopted GASB 63, which has changed net assets to net position and utilizes deferred inflows and outflows.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are now expensed in the period occurred under GASB 65.

#### **J. Net Position and Fund Balance**

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position**

The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that

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portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

- **Restricted Component of Net Position**

The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

- **Unrestricted Component of Net Position**

The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund statements, governmental fund equity is classified as fund balance. The Police Jury adopted GASB 54 for the year ended December 31, 2011. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- **Nonspendable.** These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed.** These are amounts that can be used only for specific purposes determined by a formal decision of the highest level of decision-making authority, which is the Board. To be reported as committed amounts, they cannot be used for any other purposes unless the government takes the same highest-level action to remove or change the constraint.
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes.
- **Unassigned.** These are all other spendable amounts that are available for any purpose, based on the discretion of the Board. Positive amounts are reported only in the general fund.

**K. Comparative Data/Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. All prior period adjustments recorded in the current period have been reflected in prior period data presented wherever possible.

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**L. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Police Jury, which are either unusual in nature or infrequent in occurrence.

**M. Estimates**

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

**N. Reconciliations of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

**2. Stewardship, Compliance and Accountability**

There were no funds that had deficit balances at December 31, 2019.

**3. Cash and Cash Equivalents**

At December 31, 2019, the Police Jury has cash and cash equivalents (book balances) totaling, as follows:

	<u>2019</u>
Demand Deposits	\$ 93,277
Time and Savings Deposits	<u>5,533,017</u>
	<u>\$ 5,626,294</u>

These demand 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.

The Police Jury also invests excess funds in certificates of deposits, which have maturity dates greater than 90 days when purchased, and are therefore classified as investments for financial reporting.

At December 31, 2019, the Police Jury has \$6,038,596 in deposits (collected bank balances), consisting of \$104,942 in demand deposits and \$5,933,654 in time and savings deposits. The demand deposits are secured from risk by \$250,000 of federal deposit insurance. The time and savings deposits are secured from risk by \$250,000 of federal deposit insurance and \$5,683,654 of pledged securities. The pledged securities totaling \$5,683,654 is exposed to custodial credit risk because while the amount is secured, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).



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Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

*Custodial Credit Risk:* For deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned. The Police Jury does not have a formal policy for custodial risk. However, 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.

**4. Investments**

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Police Jury or its agent in the Police Jury's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Police Jury's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Police Jury's name

The Police Jury had no investments at December 31, 2019.

In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments, when held, are carried at fair market value, with the estimated fair market value based on quoted market prices. *Interest Rate Risk:* The Police Jury does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

**5. Receivables**

The Governmental Fund receivables at December 31, 2019 consist of the following:

<b>Government Receivables</b>	<u>General Fund</u>	<u>Road and Bridges Fund</u>	<u>Solid Waste Fund</u>	<u>Other Funds</u>	<u>Total</u>
Accounts	\$ -	\$ -	\$ -	\$ -	\$ -
Ad Valorem Taxes	505,316	-	-	555,419	1,060,735
Sales and Use Taxes	111,294	-	367,886	-	479,180
Severance Taxes	42,466	58,593	-	-	101,059
Revenue Sharing	13,909	-	-	-	13,909
Federal Grants	-	1,772,946	-	-	1,772,946
Due from Other Governments	1,777	-	-	-	1,777
Other	-	-	-	8,415	8,415
<b>Total Government Receivables</b>	<u>\$ 674,762</u>	<u>\$ 1,831,539</u>	<u>\$ 367,886</u>	<u>\$ 563,834</u>	<u>\$ 3,438,021</u>

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**6. Interfund Receivables/Payables and Transfers**

The following is a detailed list of interfund balances reported in the fund financial statements on December 31, 2019:

<b>Interfund Balances</b>	<b><u>Due From Other Funds</u></b>	<b><u>Due To Other Funds</u></b>
<b>Major Funds:</b>		
General Fund	\$ 1,702	\$ 547,970
Roads and Bridges Fund	6,566	1,475,000
Solid Waste Fund	1,975,000	1,702
<b>Non-Major Funds:</b>		
Health Unit	29,492	-
Coroner Fund	11,912	-
<b>Total Interfund Balances</b>	<b><u>\$ 2,024,672</u></b>	<b><u>\$ 2,024,672</u></b>

The reason for the interfund receivables/payables balances is the General Fund pays payroll expenses and accounts payable for other funds. The interfund balances are generally repaid on a monthly basis.

The following is a detailed list of interfund transfers reported in the fund financial statements during the year ended December 31, 2019:

<b>Interfund Transfers</b>	<b><u>Transfers In From Other Funds</u></b>	<b><u>Transfers Out To Other Funds</u></b>
<b>Major Funds:</b>		
General Fund	\$ 398,230	\$ 1,027,314
Roads and Bridges Fund	1,104,584	-
Solid Waste Fund	-	-
<b>Non-Major Funds:</b>		
Criminal Court Fund	36,000	-
Health Unit	-	650,000
Coroner Fund	138,500	-
<b>Total Interfund Transfers</b>	<b><u>\$ 1,677,314</u></b>	<b><u>\$ 1,677,314</u></b>

The primary reason for the operating transfers was to fund operating requirements per budget approvals.

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**7. Capital Assets**

Capital assets and depreciation activity as of and for the year ended December 31, 2019 for governmental activities is as follows:

<b>Governmental Activities Capital Assets:</b>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 259,230	\$ -	\$ -	\$ 259,230
Construction in Progress	97,957	317,207	(223,403)	191,761
Total Capital Assets Not Being Depreciated	<u>357,187</u>	<u>317,207</u>	<u>(223,403)</u>	<u>450,991</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	10,178,147	349,850	-	10,527,997
Machinery and Equipment	4,182,636	1,045,937	-	5,228,573
Infrastructure	8,807,479	-	-	8,807,479
Total Capital Assets Being Depreciated	<u>23,168,262</u>	<u>1,395,787</u>	<u>-</u>	<u>24,564,049</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(5,403,346)	(216,628)	-	(5,619,974)
Machinery and Equipment	(3,007,508)	(171,564)	-	(3,179,072)
Infrastructure	(2,419,692)	(444,873)	-	(2,864,565)
Total Accumulated Depreciation	<u>(10,830,546)</u>	<u>(833,065)</u>	<u>-</u>	<u>(11,663,611)</u>
Total Capital Assets Being Depreciated, Net	<u>12,337,716</u>	<u>562,722</u>	<u>-</u>	<u>12,900,438</u>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>\$ <u>12,694,903</u></b>	<b>\$ <u>879,929</u></b>	<b>\$ <u>(223,403)</u></b>	<b>\$ <u>13,351,429</u></b>

Depreciation was charged to governmental functions as follows:

General Government	\$ 173,593
Public Safety	88,928
Public Works	62,668
Streets	507,876
	<u>\$ 833,065</u>

Capital asset additions consisted of \$126,448 for a building purchase, \$465,827 for two motor graders, \$153,636 for a wheel loader, \$134,864 for an excavator, \$128,742 for a dump truck, \$105,057 for a smooth drum roller, \$39,506 for truck for the Homeland Security department, and \$18,306 for the sound system for the meeting room. The Police Jury incurred an additional \$61,295 in construction in progress related to the clerk of court renovations and \$64,150 in construction in progress related to office renovations at the Police Jury administrative offices. At fiscal year-end, these renovation projects were completed and transferred to buildings at costs of \$158,253 and \$65,150, respectively. The Police Jury also incurred \$71,726 in construction in progress related to the John Thomas Lane Bridge replacement and \$120,035 in construction in progress related to the Curruth Road Bridge replacement. Both of these projects were still in progress at year-end.

**8. Prepaid Insurance**

Insurance costs which cover future periods are recognized in the governmental fund financial statements when the expenditure is made. However, in the government-wide financial statements the expenditure for insurance applicable to future periods is reclassified as prepaid insurance on the statement of net position. Total insurance expense on a government wide basis, excluding insurance related to employees such as health and workers compensation insurance was \$236,203. Prepaid insurance was \$47,282.

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**9. Accounts, Salaries, and Other Payables**

<b>Governmental Funds Payable</b>	<b>General Fund</b>	<b>Road &amp; Bridges Fund</b>	<b>Solid Waste Fund</b>	<b>Other Funds</b>	<b>Total</b>
Accounts	\$ 33,601	\$ 989,172	\$ 105,255	\$ 7,144	\$ 1,135,172
Other Accrued Liabilities	62,477	-	-	20,898	83,375
Due to Other Funds	575,631	1,511,800	1,702	-	2,089,133
Retainage Payable	-	81,707	-	-	81,707
<b>Total Government Funds Payable</b>	<b>\$ 671,709</b>	<b>\$ 2,582,679</b>	<b>\$ 106,957</b>	<b>\$ 28,042</b>	<b>\$ 3,389,387</b>

**10. Leases**

The Police Jury records items under capital leases as an asset and an obligation in the government wide financial statements. Only payments on capital leases are recorded in the fund basis financial statements. Capital Leases at December 31, 2019 are as follows:

	<b>Capital Lease Payable End of Year</b>	<b>Due Within One Year</b>
The Police Jury entered into a lease purchase agreement to purchase a John Deere Motor Grader for a total lease amount of \$232,913. The lease is payable in sixty monthly payments of \$4,530.56 due on the 20th of each month. The motor grader is being depreciated over its estimated useful life of 15 years. This lease is recorded within the governmental funds as a capital lease in the Roads & Bridges Fund.	\$ 229,597	\$ 41,182
The Police Jury entered into a lease purchase agreement to purchase a John Deere Motor Grader for a total lease amount of \$232,913. The lease is payable in sixty monthly payments of \$4,530.56 due on the 18th of each month. The motor grader is being depreciated over its estimated useful life of 15 years. This lease is recorded within the governmental funds as a capital lease in the Roads & Bridges Fund.	232,913	40,968
	<u>\$ 462,510</u>	<u>\$ 82,150</u>

The following are the assets recorded as capital leases:

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
<b>Equipment</b>			
John Deere Motor Grader	\$ 232,913	\$ (1,294)	\$ 231,619
John Deere Motor Grader	232,913	(1,294)	231,619
<b>Total Equipment</b>	<u>465,826</u>	<u>(2,588)</u>	<u>463,238</u>
Total Assets Recorded as Capital Leases	<u>\$ 465,826</u>	<u>\$ (2,588)</u>	<u>\$ 463,238</u>

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**11. Long-Term Obligations**

The following is a summary of long-term obligation transactions for the year ended December 31, 2019:

	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Net Pension Liability</u>	<u>Other</u>	<u>Total Long-Term Obligations</u>
Beginning Balance	\$ -	\$ 14,431	\$ 49,257	\$ 40,500	\$ 104,188
Additions	465,827	1,919	785,979	-	1,253,725
Deletions	<u>(3,317)</u>	<u>-</u>	<u>-</u>	<u>(40,500)</u>	<u>(43,817)</u>
Ending Balance	<u>\$ 462,510</u>	<u>\$ 16,350</u>	<u>\$ 835,236</u>	<u>\$ -</u>	<u>\$ 1,314,096</u>

The annual requirements to amortize all debt outstanding at December 31, 2019, including principal and interest payments are as follows:

<b>Year Ending 12/31/19</b>	<b>Capital Leases</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 82,150	\$ 26,584	\$ 108,734
2021	87,434	21,300	108,734
2022	93,057	15,676	108,733
2023	99,043	9,690	108,733
2024	100,826	3,320	104,146
2025 to 2029	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 462,510</u>	<u>\$ 76,570</u>	<u>539,080</u>

**12. Retirement Systems**

Substantially all Police Jury employees are members of the Parochial Employees' Retirement System of Louisiana (System) or Registrar of Voters Employees' Retirement System. These systems are cost-sharing multiple-employer defined benefit pension plans administered by a separate board of trustees.

The Police Jury implemented Governmental Accounting Standards Board (GASB) Statement 68 on *Accounting and Financial Reporting for Pensions* and Statement 71 on *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB 68. These standards require the Police Jury to record its proportional share of each of the pension plans' net pension liability and report the following disclosures:

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

*Plan Description:* Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.I 1:1901 of the Louisiana Revised Statute (LRS), through 2025. The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elect to become members of the System.

Substantially all full-time employees of the Police Jury are members of the Parochial Employees' Retirement System of Louisiana (System). The System is composed of two distinct plans, Plan A and

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Plan B, with separate assets and benefit provisions. All participating employees of the Police Jury are members of Plan 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 a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace and parish presidents may no longer join the Retirement System.

Retirement Benefits:

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

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

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

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

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 time of death, the surviving spouse shall receive an automatic Option 2 benefit as outlined in the statutes.

DROP Benefits:

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the

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Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

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

Cost of Living Increases:

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

*Funding Policy.* Contributions for all members are established by state statute. Under Plan A, members are required to contribute 9.5 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate, according to state statute. The current rate is 11.5 percent of annual covered payroll. Contributions to the System include one-fourth (1/4) of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. These tax dollars and revenue sharing are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2019. During the year ending December 31, 2019, the Police Jury recognized revenue as a result of support received from non-employer contributing entities of \$13,702 for its participation in Parochial Employees' Retirement System of Louisiana-Plan A.

The East Feliciana Police Jury's contributions to the System under Plan A for the years ending December 31, 2019 and 2018 were \$130,955, and \$126,612, respectively, equal to the required contributions for each year.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* At December 31, 2019, the Police Jury reported a liability of \$795,816 for its proportionate share of the net pension liability of the System. The net pension liability was

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measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contribution of all participating, actuarially determined. At December 31, 2018, the Police Jury's proportion was 0.179304%, which was an increase of 0.020140% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Police Jury recognized pension expense for the Parochial Employees' Retirement System of \$261,733 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to the Parochial Employees' Retirement System from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 380,960	\$ (48,483)
Changes of assumptions	198,980	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	18,634	(4,204)
Employer contributions subsequent to the measurement date	130,955	-
Total	\$ 729,529	\$ (52,687)

The Police Jury reported a total of \$130,955 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2018 which will be recognized as a reduction in net pension liability in the year ended December 31, 2020.

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

<u>Year</u>	
2019	\$ 181,929
2020	\$ 104,821
2021	\$ 88,634
2022	\$ 169,005
	\$ 544,389

*Actuarial Assumptions.* A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2018 is as follows:

<b>Valuation Date</b>	December 31, 2018
<b>Actuarial Cost Method</b>	Entry Age Normal



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**Actuarial Assumptions:**

Expected Remaining Service Lives	4 years
Investment Rate of Return	6.50%, net of investment expense, including inflation
Salary Increases	Plan A—4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the PUB-2010 Public Retirement Plans Mortality Tables for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.40%

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

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2018.

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Best estimates of real rates of return for each major asset class included in Parochial Employees' Retirement System target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	0.65%
Real Assets	2%	0.11%
Totals	<u>100%</u>	<u>5.43%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.43%</u>

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

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of December 31, 2018:

	1% Decrease	Current Discount Rate	1% Increase
Rates	5.50%	6.50%	7.50%
East Feliciana Parish Police Jury Share of NPL	\$ 1,690,099	\$ 795,816	\$ 48,272

**B. Registrar of Voters Employees' Retirement System of Louisiana (System)**

*Plan Description:* The Registrar of Voters Employee's Retirement system of Louisiana (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 215 of the 1954 under Revised Statute 11:2032 to provide retirement benefits to registrars of voters, their deputies, and their permanent employees in each parish of the State of Louisiana.

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

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prior to January 1, 2013, are calculated at 3.22% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

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

Any member whose withdrawal from service occurs prior to attaining the age of 60 years, who shall have completed 10 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 60 years.

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of 60 years shall be entitled to a regular retirement allowance.

The disabled member who has not yet attained age 60 shall be entitled to a disability benefit equal to the lesser of 3.00% of his average final compensation multiplied by the number of creditable years of service (not to be less than 15 years) or 3.33% of average final compensation multiplied by the years of service assuming continued service to age 60. 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. 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.

In lieu of terminating employment and accepting a service retirement allowance, any member with 10 or more years of service at age 60; 20 or more years of service at age 55; or 30 or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and received 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

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employment which made them eligible to become members of the System has been terminated for at least one full year.

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

Cost of living provision for the System allows the Board of Trustees to provide an annual cost of living increase of 2.0% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of 60 and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Requests for further information should be directed to Registrar of Voters Employees' Retirement System of Louisiana, P.O. Box 57, Jennings, Louisiana 70546.

*Funding Policy:* Members are required by state statute to contribute 7% of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The 2019 Employer current rate is 18% of annual covered payroll. Contributions to the System include ad valorem taxes and state revenue sharing funds. These additional sources of income are used as additional employer contributions and considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2019. During the year ending December 31, 2019, the Police Jury recognized revenue as a result of support received from non-employer contributing entities of \$6,308 for its participation in System.

The East Feliciana Parish Police Jury's contribution to the Registrar of Voters employees' Retirement System for the years ending December 31, 2019, and 2018 was \$5,066 and \$4,922 respectively equal to the required contributions for each year.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* At December 31, 2019, the Police Jury reported a liability of \$39,420 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contribution of all participating, actuarially determined. At June 30, 2019, the Police Jury's proportion was 0.210799%, which was an increase of 0.002120% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the Police Jury recognized pension expense of \$9,352 representing its proportionate share of the system's net expense including amortization of deferred amounts.

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At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to the Registrar of Voters' Pension System from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (9,724)
Changes of assumptions	5,835	-
Net difference between projected and actual earnings on pension plan investments	-	(2,250)
Changes in proportion and differences between employer contributions and proportionate share of contributions	436	(557)
Employer contributions subsequent to the measurement date	2,606	-
<b>Total</b>	<b>\$ 8,877</b>	<b>\$ (12,531)</b>

The Police Jury reported a total of \$2,606 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in net pension liability in the year ended December 31, 2020.

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

<u>Year</u>	
2020	\$ (827)
2021	\$ (3,083)
2022	\$ (830)
2023	\$ (1,520)
	<u>\$ (6,260)</u>

*Actuarial Assumptions:* A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 is as follows:

<b>Valuation Date</b>	June 30, 2018
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
Investment Rate of Return	6.50%, net of investment expense
Projected Salary Increases	6.00%
Inflation Rate	2.40%
Mortality Rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries
	RP-2000 Disabled Lives Mortality Table for disabled annuitants

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Expected Remaining Service Lives	2019 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

The long-term expected rate of return on 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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.83% for the year ended June 30, 2019.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Domestic Equities	40.0%	7.50%	3.00%
International Equities	20.0%	8.50%	1.70%
Domestic Fixed Income	12.5%	2.50%	0.31%
International Fixed Income	10.0%	3.50%	0.35%
Alternative Investments	10.0%	6.33%	0.63%
Real Estate	7.5%	4.50%	0.34%
Totals	<u>100%</u>		<u>6.33%</u>
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Rate			<u>8.83%</u>

The discount rate used to measure the total pension liability was 6.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on

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pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* The following presents the net pension liability of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2019:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Rates	5.50%	6.50%	7.50%
East Feliciana Parish Police Jury Share of NPL	\$ 66,500	\$ 39,420	\$ 16,177

**13. Deferred Compensation Plan**

The Police Jury does not offer any post-employment benefits to its employees upon retirement.

**14. Tax Abatements**

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program, which offers an attractive tax incentive for manufacturers who make a commitment to jobs and payroll in the state. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending December 31, 2019, an estimated \$26,825 in Police Jury ad valorem tax revenues were abated by the State of Louisiana through this abatement program.

**15. Constraints on Fund Balance and Net Position**

Assets accumulated in the Special Revenue Funds have been legally restricted for the purpose of road improvements, fire protection, and other services as required by the designation of ad valorem and sales taxes. These assets are also included in restricted net position on the Statement of Net Position.

**16. Contingent Liabilities**

Coroners hold a unique position in Louisiana. They are state officials who perform state functions yet their jurisdiction is limited to the parish in which they hold office. Further, the Legislature places the responsibility of compensating coroners for their services on the parish in which they hold office. In all cases, parishes are responsible for paying the necessary and unavoidable expenses for the operation of the coroner's office. The East Feliciana Parish Police Jury compensates the parish coroner by salary and fees. Since 2016, the Police Jury has approved the Coroner's budget at less than requested. In August 2018, the Police Jury president appointed a two-person committee to help resolve these differences. There were two meetings held. After the second meeting, on July 2, 2019, all the outstanding fees, not including salaries or mileage reimbursements, for 2018 and 2019 were approved and paid. Salary issues and some mileage reimbursements for all years since 2016 are still not settled. Any amount exceeding \$30,000 in salaries, plus benefits, has not been approved by the Police Jury. During the entire term of the current coroner, payroll checks have been processed for the amount allowed in the adopted budgets. The coroner has returned all of his salary checks. Those checks have been voided. As a result of the July 2, 2019 meeting, \$40,500 was transferred from the General Fund to the Coroner's Fund to help pay the majority

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Notes to the Financial Statements  
As of and for the Year Ended December 31, 2019**

of the 2018 invoices. These 2018 invoices were paid during the year ended December 31, 2019. The 2018 expenses paid did not include salaries nor mileage reimbursements. 2019 invoices were paid from the current adopted budget. No further funds have been identified at this time to cover any of the prior years' unpaid requests. In March 2020, the Police Jury was served a suit regarding salary, mileage, and expenses of the coroner's office. The new hearing date for this suit is set for November 9, 2020. The amount of unpaid expenses and salary has not been determined, and no liability has been recorded in the financial statements of the East Feliciana Police Jury. The potential liabilities may be material to the governmental activities as reported in the auditor's opinion.

**17. Construction Commitments**

The Police Jury has active construction projects as of December 31, 2019.

Road and Bridges Fund – Federal grants have been awarded to the Police Jury for the following projects:

- a) Road Repairs. The estimated cost of the project is \$4,351,660. The amount spent to date is \$2,147,994 with a remaining commitment of \$2,203,666.
- b) John Thomas Lane Bridge Replacement. The estimated cost of the project is \$272,467. The amount spent to date is \$71,726 with a remaining commitment of \$200,741.
- c) Carruth Road Bridge Replacement. The estimated cost of the project is \$793,613. The amount spent to date is \$120,035 with a remaining commitment of \$673,578.

**18. Subsequent Events**

See Footnote 16, *Contingent Liabilities* as it related to the Coroner.

On September 22, 2020, the East Feliciana Parish Police Jury President was arrested on suspicion of malfeasance in office for misappropriation of assets (suspected theft of asphalt). The dollar amount of the suspected misappropriation of assets has not been determined. An investigation is currently being conducted by the Louisiana State Police.

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic and this pandemic has resulted in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders, and quarantining of people that may have been exposed to the virus. As the COVID-19 pandemic is complex and rapidly evolving, at this point we cannot reasonably estimate the duration or severity of this pandemic nor its impact on the entity, its financial position, change in financial position, or cash flows

Subsequent events have been evaluated by management through October 12, 2020, the date the report was available for issuance. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2019.



## Required Supplementary Information (Part II)

## Schedule 1

**East Feliciana Police Jury**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) to Actual**  
**General Fund**  
**For the year ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> GAAP Basis	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
<b>Revenues</b>				
Taxes	\$ 1,032,000	\$ 1,203,000	\$ 1,191,136	\$ (11,864)
Licenses and Permits	359,200	342,200	364,301	22,101
Intergovernmental	638,700	646,520	699,939	53,419
Charges for Services	3,700	3,700	7,429	3,729
Interest	6,250	6,250	9,361	3,111
Rent	18,000	53,750	53,810	60
Donations	56,700	55,650	55,648	(2)
Miscellaneous	36,700	81,700	77,129	(4,571)
<b>Total Revenues</b>	<u>2,151,250</u>	<u>2,392,770</u>	<u>2,458,753</u>	<u>65,983</u>
<b>Expenditures</b>				
General Government	1,056,980	1,153,980	855,098	298,882
Public Safety	1,248,260	1,236,460	1,230,782	5,678
Public Works	27,000	32,000	31,998	2
Health and Welfare	165,000	165,000	150,855	14,145
Recreation	2,650	2,650	3,709	(1,059)
Economic Development	4,200	4,200	4,177	23
Capital Outlays	-	-	309,705	(309,705)
<b>Total Expenditures</b>	<u>2,504,090</u>	<u>2,594,290</u>	<u>2,586,324</u>	<u>7,966</u>
<b>Excess Revenues (Expenditures)</b>	<u>(352,840)</u>	<u>(201,520)</u>	<u>(127,571)</u>	<u>73,949</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	298,230	898,230	398,230	(500,000)
Operating Transfers (Out)	(182,230)	(782,230)	(1,027,314)	(245,084)
<b>Total Other Financing Sources (Uses)</b>	<u>116,000</u>	<u>116,000</u>	<u>(629,084)</u>	<u>(745,084)</u>
<b>Net Change in Fund Balances</b>	<u>(236,840)</u>	<u>(85,520)</u>	<u>(756,655)</u>	<u>(671,135)</u>
<b>Fund Balances, Beginning</b>	<u>1,652,397</u>	<u>1,652,397</u>	<u>1,652,397</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 1,415,557</u>	<u>\$ 1,566,877</u>	<u>\$ 895,742</u>	<u>\$ (671,135)</u>

See Independent Auditor's Report.

**East Feliciana Police Jury**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) to Actual**  
**Roads and Bridges Fund**  
**For the year ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> GAAP Basis	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,650,000	\$ 1,900,000	\$ 1,862,510	\$ (37,490)
Licenses and Permits	3,400	3,400	4,645	1,245
Intergovernmental	381,000	818,000	1,455,060	637,060
Interest	2,100	11,100	11,720	620
Miscellaneous	-	5,000	5,620	620
<b>Total Revenues</b>	<u>2,036,500</u>	<u>2,737,500</u>	<u>3,339,555</u>	<u>602,055</u>
<b>Expenditures</b>				
Highways and Streets	1,650,850	1,710,850	1,558,819	152,031
Capital Outlays	200,000	385,000	988,125	(603,125)
Debt Service				
Principal	-	-	3,317	(3,317)
Interest	-	-	1,214	(1,214)
<b>Total Expenditures</b>	<u>1,850,850</u>	<u>2,095,850</u>	<u>2,551,475</u>	<u>(455,625)</u>
<b>Excess Revenues (Expenditures)</b>	<u>185,650</u>	<u>641,650</u>	<u>788,080</u>	<u>146,430</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	-	1,400,000	1,104,584	(295,416)
Operating Transfers (Out)	(50,000)	(100,000)	-	100,000
Flood Expenses	-	(1,020,000)	(2,218,834)	(1,198,834)
Proceeds from Lease	-	-	465,827	465,827
<b>Total Other Financing Sources (Uses)</b>	<u>(50,000)</u>	<u>280,000</u>	<u>(648,423)</u>	<u>(928,423)</u>
<b>Net Change in Fund Balances</b>	<u>135,650</u>	<u>921,650</u>	<u>139,657</u>	<u>(781,993)</u>
<b>Fund Balances, Beginning</b>	<u>481,911</u>	<u>481,911</u>	<u>481,911</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 617,561</u>	<u>\$ 1,403,561</u>	<u>\$ 621,568</u>	<u>\$ (781,993)</u>

See Independent Auditor's Report.

## Schedule 3

**East Feliciana Police Jury**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) to Actual**  
**Solid Waste Fund**  
**For the year ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> GAAP Basis	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>Revenues</b>				
Taxes	\$ 1,665,000	\$ 1,908,000	\$ 1,872,368	\$ (35,632)
Interest	15,000	22,000	21,940	(60)
<b>Total Revenues</b>	<u>1,680,000</u>	<u>1,930,000</u>	<u>1,894,308</u>	<u>(35,692)</u>
<b>Expenditures</b>				
Sanitation	1,651,920	1,721,770	1,749,750	(27,980)
Capital Outlays	-	-	-	-
<b>Total Expenditures</b>	<u>1,651,920</u>	<u>1,721,770</u>	<u>1,749,750</u>	<u>(27,980)</u>
<b>Excess Revenues (Expenditures)</b>	<u>28,080</u>	<u>208,230</u>	<u>144,558</u>	<u>(63,672)</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	50,000	100,000	-	(100,000)
Operating Transfers (Out)	-	(1,000,000)	-	1,000,000
<b>Total Other Financing Sources (Uses)</b>	<u>50,000</u>	<u>(900,000)</u>	<u>-</u>	<u>900,000</u>
<b>Net Change in Fund Balances</b>	<u>78,080</u>	<u>(691,770)</u>	<u>144,558</u>	<u>836,328</u>
<b>Fund Balances, Beginning</b>	<u>4,512,063</u>	<u>4,512,063</u>	<u>4,512,063</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 4,590,143</u>	<u>\$ 3,820,293</u>	<u>\$ 4,656,621</u>	<u>\$ 836,328</u>

See Independent Auditor's Report.

**East Feliciana Police Jury**  
**Schedule of the Police Jury's Proportionate Share of the Net Pension Liability-Parochial Plan A**  
**Last 10 Fiscal Years\***

**Parochial Employees' Retirement System of Louisiana:**

	<b>Employer's Proportion of the Net Pension Liability (Assets)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>Employer's Covered- Employee Payroll</b>	<b>Employer's Proportionate Share of the Net Position Liability (Asset) as a Percentage of its Covered- Employee Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
<b>2015</b>	0.191870%	\$ 52,459	\$ 858,019	6.1140%	99.1464%
<b>2016</b>	0.191244%	\$ 503,409	\$ 930,109	54.1237%	92.2301%
<b>2017</b>	0.158474%	\$ 326,379	\$ 939,727	34.7313%	94.1489%
<b>2018</b>	0.159164%	\$ (118,139)	\$ 977,355	-12.0876%	101.9768%
<b>2019</b>	0.179304%	\$ 795,816	\$ 1,100,963	72.2836%	88.8618%

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

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

See Independent Auditor's Report.

**East Feliciana Police Jury**  
**Schedule of the Police Jury's Proportionate Share of the Net Pension Liability-Registrar of Voters**  
**Last 10 Fiscal Years\***

State of Louisiana Registrar of Voters Retirement System:

	<b>Employer's Proportion of the Net Pension Liability (Assets)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>Employer's Covered- Employee Payroll</b>	<b>Employer's Proportionate Share of the Net Position Liability (Asset) as a Percentage of its Covered- Employee Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
<b>2015</b>	0.213433%	\$ 52,271	\$ 29,193	179.0532%	76.86%
<b>2016</b>	0.138651%	\$ 33,956	\$ 18,808	180.5402%	73.98%
<b>2017</b>	0.211379%	\$ 46,400	\$ 28,951	160.2708%	80.51%
<b>2018</b>	0.208679%	\$ 49,257	\$ 28,951	170.1392%	80.57%
<b>2019</b>	0.210799%	\$ 39,420	\$ 28,951	136.1611%	84.83%

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

\* The amounts presented for each fiscal year were determined as of 6/30 within the fiscal year.

See Independent Auditor's Report.

**East Feliciana Police Jury**  
**Schedule of the Police Jury's Contributions-Parochial Plan A**  
**For the year ended December 31, 2019**

**Parochial Employees' Retirement System of Louisiana:**

		<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll</b>	<b>Contributions as a % of Covered Employee Payroll</b>
<b>2015</b>	\$	134,867	\$ 134,867	\$ -	\$ 930,109	14.5001%
<b>2016</b>		122,165	122,165	-	939,727	13.0001%
<b>2017</b>		139,539	139,539	-	1,204,358	11.5862%
<b>2018</b>		126,612	126,612	-	1,100,963	11.5001%
<b>2019</b>		130,955	130,955	-	1,138,731	11.5001%

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

See Independent Auditor's Report.

**East Feliciana Police Jury**  
**Schedule of the Police Jury's Contributions-Registrar of Voters**  
**For the year ended December 31, 2019**

**State of Louisiana Registrar of Voters Retirement System**

	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll</b>	<b>Contributions as a % of Covered Employee Payroll</b>
<b>2015</b>	\$ 6,767	\$ 6,767	\$ -	\$ 28,951	23.3740%
<b>2016</b>	6,152	6,152	-	28,951	21.2497%
<b>2017</b>	5,284	5,284	-	28,951	18.2515%
<b>2018</b>	4,922	4,922	-	28,951	17.0011%
<b>2019</b>	5,066	5,066	-	28,951	17.4985%

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

See Independent Auditor's Report.



## Other Supplementary Information

**East Feliciana Parish Police Jury  
Combined Balance Sheet  
Nonmajor Special Revenue Funds  
As of December 31, 2019**

	<u>Criminal Court</u>	<u>Health Unit</u>	<u>Coroner</u>	<u>Total Non Major Special Revenue Funds</u>
<b>Assets</b>				
Cash and Equivalents	\$ 4,745	\$ 72,945	\$ 12,327	\$ 90,017
Receivables, Net	8,415	555,419	-	563,834
Due From Other Funds	-	29,492	11,912	41,404
<b>Total Assets</b>	<u>\$ 13,160</u>	<u>\$ 657,856</u>	<u>\$ 24,239</u>	<u>\$ 695,255</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 7,144	\$ 7,144
Other Accrued Liabilities	-	20,898	-	20,898
Due to Other Funds	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>20,898</u>	<u>7,144</u>	<u>28,042</u>
Deferred Inflows of Resources:				
Unavailable Ad Valorem Taxes	-	61,159	-	61,159
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>61,159</u>	<u>-</u>	<u>61,159</u>
Fund Balances:				
Restricted	13,160	575,799	17,095	606,054
<b>Total Fund Balances</b>	<u>13,160</u>	<u>575,799</u>	<u>17,095</u>	<u>606,054</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 13,160</u>	<u>\$ 657,856</u>	<u>\$ 24,239</u>	<u>\$ 695,255</u>

See Independent Auditor's Report.

**East Feliciana Parish Police Jury**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances for Nonmajor Special Revenue Funds**  
**For the year ended December 31, 2019**

	<u>Criminal Court</u>	<u>Health Unit</u>	<u>Coroner</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues</b>				
Taxes				
Ad valorem	\$ -	\$ 539,284	\$ -	\$ 539,284
Intergovernmental				
Other	-	16,320	-	16,320
State Revenue Sharing	-	52,388	-	52,388
Fines and Forfeitures	81,246	-	5,581	86,827
Investment Earnings	67	4,159	313	4,539
Miscellaneous	4,385	269	-	4,654
<b>Total Revenues</b>	<u>85,698</u>	<u>612,420</u>	<u>5,894</u>	<u>704,012</u>
<b>Expenditures</b>				
Public Safety				
Salaries	60,000	-	-	60,000
Benefits	7,770	-	-	7,770
Other operating	-	-	-	-
Supplies	54,400	-	-	54,400
Utilities	-	-	-	-
Total Public Safety	<u>122,170</u>	<u>-</u>	<u>-</u>	<u>122,170</u>
Health and Welfare				
Salaries	-	119,758	-	119,758
Benefits	-	23,321	-	23,321
Insurance	-	8,181	-	8,181
Fuel	-	2,444	-	2,444
Other operating	-	40,436	157,942	198,378
Statutory Payments to Assessor	-	20,898	-	20,898
Utilities	-	-	-	-
Total Health and Welfare	<u>-</u>	<u>215,038</u>	<u>157,942</u>	<u>372,980</u>
Capital Outlays	-	-	-	-
<b>Total Expenditures</b>	<u>122,170</u>	<u>215,038</u>	<u>157,942</u>	<u>495,150</u>
<b>Excess (Deficiency) of Revenues Over (Under) (Expenditures)</b>	<u>(36,472)</u>	<u>397,382</u>	<u>(152,048)</u>	<u>208,862</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	36,000	-	138,500	174,500
Operating Transfers (Out)	-	(650,000)	-	(650,000)
<b>Total Other Financing Sources (Uses)</b>	<u>36,000</u>	<u>(650,000)</u>	<u>138,500</u>	<u>(475,500)</u>
<b>Net Change in Fund Balances</b>	<u>(472)</u>	<u>(252,618)</u>	<u>(13,548)</u>	<u>(266,638)</u>
<b>Fund Balances, Beginning</b>	<u>13,632</u>	<u>828,417</u>	<u>30,643</u>	<u>872,692</u>
<b>Fund Balances, Ending</b>	<u>\$ 13,160</u>	<u>\$ 575,799</u>	<u>\$ 17,095</u>	<u>\$ 606,054</u>

See Independent Auditor's Report.

**East Feliciana Parish Police Jury  
Schedule of Compensation Paid to Board Members  
For the year ended December 31, 2019**

<u>Name and Title</u>	<u>Address</u>	<u>Term</u>	<u>Salary</u>
Glen Kent - District 1-A	14351 Highway 959 Clinton, LA 70722	Jan 2016 to 2020	\$ 14,400
Chris Hall - District 1-B	8311 Highway 955 E Ethel, LA 70730	Jan 2016 to 2020	14,400
Edward Brooks, Sr. - District 2	7105 Richardson Loop Jackson, LA 70748	Jan 2016 to 2020	14,400
Jason McCray - District 3	P.O. Box 1332 Jackson, LA 70748	Jan 2016 to 2020	14,400
Keith Mills - District 4-A (Vice President)	P.O. Box 1672 Jackson, LA 70748	Jan 2016 to 2020	14,400
Dwight Hill - District 4-B	P.O. Box 161 Jackson, LA 70748	Jan 2016 to 2020	14,400
Michael Cheatham - District 5	P.O. Box 707 Clinton, LA 70722	Jan 2016 to 2020	14,400
Sean Smith - District 6	P.O. Box 8702 Clinton, LA 70722	Jan 2016 to 2020	14,400
Louis Kent - District 7 (President)	P.O. Box 7996 Clinton, LA 70722	Jan 2016 to 2020	15,600
			\$ <u>130,800</u>

This schedule is presented in compliance with House Resolution #54 of the 1979 Session of Louisiana Legislature.

See Independent Auditor's Report.

**Schedule 11**

**East Feliciana Parish Police Jury**  
**Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head**  
**For the year ended December 31, 2019**

**Sonya Crowe, Parish Manager**

Salary	\$	83,851
Benefits-Insurance		18,027
Benefits-Retirement		9,643
Employer Paid Medicare & Social Security		1,216
Other Miscellaneous Benefits		-
Cell phone		1,224
Parish Owned Vehicle:		
Fuel		175
Digital Tracker-GPS on Vehicle		126
Insurance		2,167
Registration Fees		250
Travel/Training		489
<b>Total</b>	<b>\$</b>	<b><u>117,168</u></b>

See Independent Auditor's Report.

**East Feliciana Parish Police Jury**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2019**

<u>Federal Grantor/Pass-Through Grantor/Program Title/Project</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Totals</u>
<u>United States Department of Homeland Security</u>			\$	
Pass-thru from the Louisiana Governor's Office of Homeland Security and Emergency Preparedness				
Disaster Grant - Public Assistance (Presidentially Declared Disaster)				
Disaster Grant-Public Assistance - Road Repairs	97.036	FEMA-4277-PA-LA	\$ 1,778,230	
Disaster Grant-Public Assistance - Carruth Road Bridge Replacement	97.036	FEMA-4277-PA-LA	108,032	
Disaster Grant-Public Assistance - John Thomas Lane Bridge Replacement	97.036	FEMA-4277-PA-LA	<u>64,553</u>	1,950,815
Homeland Security Grant Program	97.067	EMW-2017-SS-00058-S01	<u>1,777</u>	1,777
Total United States Department of Homeland Security				<u>1,952,592</u>
<b>Total Expenditures of Federal Awards</b>			<b>\$</b>	<b><u>1,952,592</u></b>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the East Feliciana Parish Police Jury under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the East Feliciana Parish Police Jury, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the East Feliciana Parish Police Jury.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 - Indirect Cost Rate

The East Feliciana Parish Police Jury has elected not to use the 10-percent de minimis direct cost rate allowed under the Uniform Guidance.

See Independent Auditor's Report.

Bruce C. Harrell, CPA

Kristi U. Bergeron, CPA  
Jessica H. Jones, CPA  
Brandy W. Garcia, CPA  
Charles L. Johnson, CPA

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To East Feliciana Parish Police Jury  
Clinton, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Police Jury as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the East Feliciana Parish Police Jury's basic financial statements and have issued our report thereon dated October 12, 2020. We conducted our audit 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 East Feliciana Parish Police Jury's legally separate component units were not audited in accordance with *Government Auditing Standards* and as a result, our report included an adverse opinion on the aggregate discretely presented component units of the East Feliciana Parish Police Jury. Accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Police Jury's legally separate component units.

**Internal Control over Financial Reporting**

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

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

East Feliciana Parish Police Jury  
Page 2

deficiencies. Given these limitations, during our audit we did not identify 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 the East Feliciana Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying *Schedule of Findings and Questioned Costs* as finding 2019-C1.

### **East Feliciana Parish Police Jury's Response to Findings**

The East Feliciana Parish Police Jury's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The East Feliciana Parish Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, Louisiana

October 12, 2020



Bruce C. Harrell, CPA  
Kristi U. Bergeron, CPA  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To East Feliciana Parish Police Jury  
Clinton, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited the East Feliciana Parish Police Jury's (Police Jury) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2019. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### *Management's Responsibility*

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

#### *Auditor's Responsibility*

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

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

#### *Opinion on Each Major Federal Program*

In our opinion, the East Feliciana Parish Police Jury, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

**BRUCE HARRELL & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS  
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East Feliciana Parish Police Jury  
Page 2

**Report on Internal Control over Compliance**

Management of the East Feliciana Parish Police Jury, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Police Jury’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Police Jury’s internal control over compliance.

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

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

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



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, Louisiana

October 12, 2020

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

Section I Summary of Auditor's Reports

Financial Statements

a. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

- Unmodified [checked] Qualified [checked]
Disclaimer [unchecked] Adverse [checked]

b. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses [unchecked] Yes [checked] No Significant Deficiencies [unchecked] Yes [checked] No

Compliance:

Noncompliance Material to Financial Statements [checked] Yes [unchecked] No

Federal Awards

Internal Control over Major Federal Programs:

Material Weaknesses [unchecked] Yes [checked] No Significant Deficiencies [unchecked] Yes [checked] No

Type of auditor's report issued on compliance for major federal programs:

- Unmodified [checked] Qualified [unchecked]
Disclaimer [unchecked] Adverse [unchecked]

Are there findings required to be reported in accordance with 2 CFR 200.516(a)?

[unchecked] Yes [checked] No

Was a management letter issued?

[unchecked] Yes [checked] No

Identification of Major Programs:

Table with 2 columns: CFDA Number(s), Name of Federal Program (or Cluster). Row 1: 97.036 - Disaster Grant-Public Assistance (Presidentially Declared Disaster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Auditee qualified as a low-risk auditee? [unchecked] Yes [checked] No

**Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2019**

**Section II Financial Statement Findings**

**Finding 2019-C1 Local Budget Act (Noncompliance)**

Criteria: Louisiana Revised Statute 39:1311 requires that total expenditures and other uses must not exceed budgeted expenditures and other uses by 5% or more and revenues and other sources must meet budgeted revenue and other sources by 5% or more.

Condition: The Police Jury's actual revenues and other sources in the General Fund and Solid Waste fund were below the total budgeted revenue and other sources by five percent or more. Actual expenditures and other uses in the General Fund and the Roads and Bridges Fund exceeded the total budgeted expenditures and other uses by five percent or more.

Cause: Budget variances in the General Fund and Solid Waste fund were caused by transfers to and from other funds not being made. Budget variances in the Roads and Bridges Fund were due to accounts payable, related to FEMA projects, at year end were higher than anticipated due to unexpected expenditures near year end.

Effect: Apparent noncompliance with the above referenced statute.

Recommendation: The budget should be amended when budget variances greater than 5% are evident.

Management's Response: We will continue to monitor budget compliance.

**Contact Person:**

Jody Moreau, Parish Manager  
(225) 683-8577

**Section III Federal Award Findings and Questioned Costs**

No Section III Findings

**Schedule of Prior Year Findings and Responses  
For the Year Ended December 31, 2019**

**Section I Internal Control and Compliance Material to the Financial Statements**

**Finding 2018-C1 Ethics Training (Noncompliance)**

Criteria: LRS 42:1170 requires all public servants obtain a minimum of one-hour education and training on the Code of Governmental Ethics during each year of his public employment or term in office.

Condition: The Police Jury did not have documentation of the required ethics training for one of the board members for the year ending December 31, 2018.

Cause: Failure to complete training or provide certificate.

Effect: Noncompliance with the above referenced statutes.

Recommendation: The Police Jury should ensure that all employees and board members complete the required training each year.

Management's Response: The Secretary on numerous occasions reminded all employees including the Board of the required ethics training and requested they provide her with the certificate showing completion of the training. The Secretary will continue to follow up monthly with those who have not completed the training until training is completed before December 31.

**Current Year Status:** Resolved

**Finding 2018-C2 Audit Filing Requirement (Noncompliance)**

Criteria: The Police Jury is subject to requirements as defined in LRS 24:513(A) for filing financial audit reports or review reports. The deadline for filing is six months after the end of the entity's fiscal year, but may be extended per Legislative Auditor approval. The Police Jury is also contractually obligated to adhere to audit requirements as defined in the grant agreements with its grantors. The audit requirements are to adhere to federal and state laws requiring an audit and to complete and submit the audit to the grantor no later than six months after the audit period. The Police Jury must comply with statutory and contractual deadlines for filing audit reports, but must also ensure that sufficient time is available to complete procedures required in accordance with Government Auditing Standards.

Condition: The Police Jury did not file its audit report by the statutory or contractual deadline.

Cause: Delays in obtaining requested audit information.

Effect: The Police Jury did not follow statutory and contractual deadlines for filing audit reports.

Recommendation: The Police Jury should monitor its compliance with applicable laws, regulations, contracts, and grant agreements. Specifically, the Police Jury should monitor audit requirements, including deadlines. The Police Jury should ensure the timely start of the audit as well as timely responses to auditor requests.

Management's Response: The Police Jury will also monitor audit filing deadlines and comply with filing requirements in the future.

**Current Year Status:** Resolved

Schedule of Prior Year Findings and Responses  
For the Year Ended December 31, 2019

**Section II Internal Control and Compliance Material to Federal Awards**

No Section II Findings.

**Section III Management Letter**

No Section III Findings.

East Feliciana Police Jury  
Clinton, Louisiana

Statewide Agreed-Upon Procedures

As of and for the Year Ended December 31, 2019



**BRUCE HARRELL & COMPANY**  
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## Independent Accountant's Report on Applying Agreed-Upon Procedures

Board Members of the East Feliciana Parish Police Jury  
and the Louisiana Legislative Auditor  
Clinton, Louisiana 70722

We have performed the procedures enumerated below, which were agreed to by the East Feliciana Police Jury (Entity) and the Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUP's.

This agreed-upon procedures engagement was performed 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 and associated findings are as follows:

### ***Written Policies and Procedures***

---

1. Obtain and inspect the entity's written policies and procedures and observe 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.

*Written policies and procedures were obtained and address the functions noted.*

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.

*Written policies and procedures were obtained and address the functions noted.*

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

*Written policies and procedures were obtained and address the functions noted.*



- 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).

*Written policies and procedures were obtained and address the functions noted.*

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

*Written policies and procedures were obtained and address the functions noted.*

- 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.

*Written policies and procedures were obtained; however, they do not address the functions noted.*

- 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 (e.g., determining the reasonableness of fuel card purchases).

*Written policies and procedures were obtained; however, they do not address the functions noted.*

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

*Written policies and procedures were obtained and address the functions noted.*

- 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.

*Written policies and procedures were obtained and address the functions noted.*

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

*Written policies and procedures were obtained; however, they do not address the functions noted. The Police Jury does not have any bonds or notes.*

- 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.

*Written policies and procedures were obtained and address functions 1 and 2 noted above; however, they do not address functions 3-6 noted above.*

*Management's Response to all written policies and procedures exceptions: We will continue to amend written policies and procedures as needed.*

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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 C/C 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 C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on the control or compliance. Accordingly, this report is not suitable for any other purposes. Under Louisiana Revised Statute R.S.24:513, this report is distributed by the LLA as a public document.



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, Louisiana

October 12, 2020