

**Madison Parish Police Jury
Tallulah, Louisiana**

Basic Financial Statements

And Independent Auditor's Report

As of and for the Year Ended December 31, 2022

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
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TALLULAH, LOUISIANA
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REQUIRED SUPPLEMENTARY INFORMATION

PART I

MADISON PARISH POLICE JURY
Management's Discussion and Analysis
December 31, 2022

This discussion and analysis of Madison Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2022.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 3 *Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments* issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The MD&A provides insights into the results of this year's operations:

Total governmental funds revenue received for the year ended December 31, 2022, was \$9,099,158. This is a decrease of \$1,549,741 or a 14.55% decrease from the year ended December 31, 2021. This decrease is due mainly to a decrease in federal funds.

Governmental expenditures for 2022 were \$8,779,525. This is a decrease of \$1,023,817 or a 10.44% decrease from the year ended December 31, 2021.

For the year ended December 31, 2022, General Fund reported \$1,408,267 in revenues, an increase of \$181,807, or a 14.82% increase from revenue received for the year ended December 31, 2021.

In 2022 the Police Jury reported \$1,662,647 in expenditures for the General Fund and \$1,190,870 in expenditures for 2021. This is a 39.62% increase from the prior year.

Using This Annual Report

The Police Jury's annual report consists of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a more long-term view of the Police Jury's finances. The fund financial statements are included later in this report. For governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insight into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds – the General Fund, Criminal Court, Library, Garbage Maintenance, Health Unit, Public Works, Courthouse and Jail, and American Rescue funds.

The following chart reflects the information included in this annual report:

MADISON PARISH POLICE JURY
Management's Discussion and Analysis – continued

Required Supplemental Information
Management's Discussion and Analysis (MD&A)

Basic Financial Statements	
Government-Wide Financial Statements	Fund Financial Statements
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Required Supplemental Information
Budgetary Information for Major Funds
Changes in Net OPEB Liability
Employer's Share of Net Pension Liability
Employer Contributions

Supplemental Information
Nonmajor Governmental Funds - Combining Statements
Nonmajor Special Revenue Funds - Combining Statements
Schedule of Compensation Paid to Police Jurors
Schedule of Compensation; Reimbursements, and Other
Payments to Agency Head

Other Required Reports
Schedule of Current-Year Findings
Summary Schedule of Prior-Year Audit Findings

Our auditors have provided assurance in their Independent Auditor's Report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities. Our analysis of the Police Jury as a whole begins on page 3. One of the most important questions about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

MADISON PARISH POLICE JURY
Management's Discussion and Analysis – continued

These two statements report the Police Jury's net position. The difference between assets and liabilities, as reported in the Statement of Net Position, is one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position, as reported in the Statement of Activities, is one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges, and drainage systems to assess the overall health of the Police Jury.

The Statement of Net Position and Statement of Activities report the following activity for the Police Jury:

Government activities – All of the Police Jury's services are reported here, including public works and health and welfare services. Property taxes, severance taxes, and state and federal grants finance most of these activities.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements. The Police Jury's fund financial statements provide detailed information about the most significant funds – not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Criminal Court Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Police Jury's governmental funds use the following accounting approach:

Governmental funds – All of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and government funds in reconciling statements on pages 15 and 18.

The Police Jury as a Whole. The Police Jury's net position was \$24,478,911 at December 31, 2022, of which \$(41,378) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use those funds for day-to-day operations. Our analysis of the primary government focuses on the net position (Table 1) and changes in net position (Table 2) of the Police Jury's governmental activities.

MADISON PARISH POLICE JURY
Management's Discussion and Analysis – continued

Table 1
Net Position
Years Ended December 31, 2021 and 2022

	Governmental Activities	
	2021	2022
Current and other assets	\$ 19,232,327	\$ 18,642,978
Capital assets	7,061,420	6,909,870
Prepaid leases	-	286,038
Total assets	<u>26,293,747</u>	<u>25,838,886</u>
Deferred outflows of resources	<u>251,210</u>	<u>1,318,583</u>
Current and other liabilities	578,821	579,286
Long-term liabilities	701,592	1,946,397
Total liabilities	<u>1,280,413</u>	<u>2,525,683</u>
Deferred inflows of resources	<u>174,378</u>	<u>152,875</u>
Net position		
Invested in capital assets, net of debt	7,036,340	6,909,870
Restricted	17,588,439	17,610,419
Unrestricted	465,387	(41,378)
Total net position	<u>\$ 25,090,166</u>	<u>\$ 24,478,911</u>

Net position of the Police Jury's governmental activities for December 31, 2022, was \$24,478,911. Unrestricted net position, which is part of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation or other legal requirements was \$(41,378).

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2 takes the information from that statement and rearranges them slightly so you can see our total revenues for the year.

Table 2
Changes in Net Position
Years Ended December 31, 2021 and 2022

	2021	2022
Revenues:		
Program revenues		
Charges for services	\$ 836,186	\$ 618,554
Federal grants	2,184,797	1,555,483
State grants & entitlements	1,637,024	332,881
General Revenues		
Ad valorem taxes	5,331,065	4,846,478
State revenue sharing	86,645	45,506
Other general revenues	1,274,754	1,700,256
Total revenues	<u>11,350,471</u>	<u>9,099,158</u>
Functions/Programs Expenses:		
General government:		
Legislative	120,870	141,904
Judicial	929,164	1,019,393
Elections	32,173	29,832
Finance and administrative	402,775	463,321
Other general government	61,197	-
Public safety	3,830,628	198,177
Public works	3,276,464	4,016,571
Health and welfare	252,366	202,943
Culture and recreation	468,218	741,696
Economic development and assistance	58,250	100,227
Transportation	64,249	54,741
Miscellaneous	3,710	34,036
Interest on long-term debt	1,684	772
Total expenses	<u>9,501,748</u>	<u>7,003,613</u>
Ordinary increase in net position	<u>\$ 1,848,723</u>	<u>\$ 2,095,545</u>

Governmental Activities. As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$7,003,613. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was \$4,846,478 because some of the cost was paid by those who benefited from the programs or by other governments and organizations who subsidized certain programs with grants and contributions.

In Table 3, we have presented the cost of each of the Police Jury's six largest functions - judicial, finance and administrative, public safety, public works, health and welfare, and culture and recreation, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Governmental Activities
For the Years Ended December 31, 2021 and 2022

Governmental Activities	Total Cost of Services		Net Cost of Services	
	2021	2022	2021	2022
Judicial	\$ 929,164	\$ 1,019,393	\$ (681,345)	\$ (995,614)
Finance and Administrative	402,775	463,321	(397,920)	(424,729)
Public Safety	3,830,628	198,177	(3,764,863)	(185,956)
Public Works	3,276,464	4,016,571	889,396	(3,251,506)
Health & Welfare	252,366	202,943	(199,173)	(152,437)
Culture and Recreation	468,218	741,696	(413,588)	(731,693)
All Others	342,133	361,512	(276,248)	1,245,240
Total Functions/Program Expenses	<u>\$ 9,501,748</u>	<u>\$ 7,003,613</u>	<u>\$ (4,843,741)</u>	<u>\$ (4,496,695)</u>

The Police Jury's Funds. As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$17,939,581 which is an increase of \$319,633 from last year. The primary reasons for these increases are:

Our General fund is our principle operating fund. The fund balance in the general fund decreased by \$2,968 to \$329,162 at December 31, 2022. The income increased by \$181,804 and expenditures increased by \$471,777.

Our Criminal Court fund accounts for the activities performed in the parish criminal court system. This fund showed an increase of \$17,015 to \$(1,033,903).

Our Library fund accounts for the public library. This fund showed a decrease of \$70,412 to \$2,151,695.

The Garbage Maintenance fund accounts for the parish garbage collection services. This fund showed an increase of \$61,011 to \$2,262,356.

The Health Unit fund accounts for the parish health center. This fund showed an increase of \$100,989 to \$2,209,569. The increase was the result of an operating profit in the current year.

The Public Works fund accounts for funds used to maintain the parish roads and streets. This fund showed a decrease of \$285,477 to \$2,398,152. Expenditures were up compared to the prior year.

The American Rescue Plan fund accounts for revenues and expenditures provided by the American Rescue Plan Act of 2021. This fund showed an increase of \$979,098 to \$1,930,250. The increase was due to the receipt of federal grant funds which have not been spent at December 31, 2022.

The Courthouse and Jail fund accounts for funds used to maintain the courthouse, courthouse annex, jail, and the feeding, maintenance and transporting of parish inmates. This fund showed a decrease of \$523,005 to \$7,384,706.

The Other Governmental funds are comprised of the debt service fund and special revenue funds (Memorial, Group Health Savings, Grant Fund, Witness Fees, FEMA Disaster, Emergency Shelter Donation, Recreation Board, and Building Fund). The combined funds showed an increase of \$43,402 to a balance of \$307,594.

General Fund Budgetary Highlights. Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report). The original budgets were adopted on December 20, 2021. There were no amendments during 2022.

CAPITAL ASSETS

Capital Assets at Year Ended December 31, 2021 and 2022

	2021	2022
Land	\$ 188,750	\$ 188,750
Buildings and improvements	6,443,323	6,443,323
Equipment and furniture (including vehicles)	3,821,760	4,118,787
Books and periodicals	834,203	834,203
Quebec Road	3,771,405	3,771,405
Health Unit	1,688,635	1,688,635
Total capital assets	16,748,076	17,045,103
Accumulated depreciation	(9,686,656)	(10,135,233)
Net capital assets	<u>\$ 7,061,420</u>	<u>\$ 6,909,870</u>

Debt. At December 31, 2022, the Police Jury had a prior year liability of \$177,500 for claims and judgments.

Contacting the Police Jury's Financial Management. Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional information, contact Ms. Margaret Dew, Secretary/Treasurer, Courthouse Building, Madison Parish Police Jury, 100 North Cedar Street, Tallulah, LA 71282, telephone number (318) 574-3451.

INDEPENDENT AUDITOR'S REPORT

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Members
American Institute of
Certified Public Accountants

Mississippi Society of
Certified Public Accountants

Louisiana Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Police Jurors
Madison Parish Police Jury
Tallulah, Louisiana

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Madison Parish Police Jury (Police Jury) as of and for the year ended December 31, 2022, and related notes to the financial statements which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Madison Parish Police Jury as of December 31, 2022 or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Each Major Fund, and the Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Madison Parish Police Jury, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (Government Auditing Standards), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit

of Financial Statements section of our report. We are required to be independent of the Madison Parish Police Jury, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The effects of not including the Madison Parish Police Jury's legally separate component units on the aggregate discretely presented component units has not been determined.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Madison Parish Police Jury's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Madison Parish Police Jury's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Madison Parish Police Jury's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 6, the budgetary comparison information on pages 41 through 51, the schedule of changes in net OPEB liability and related ratios on page 52, the schedule of employer's share of net pension liability on page 53, and the schedule of employer contributions on page 54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Madison Parish Police Jury's basic financial statements. The accompanying other supplementary information listed in the table of contents and shown on pages 55 through 58 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the responsibility of management and was not derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023, on our consideration of the Madison 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 on 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 Madison Parish Police Jury's internal control over financial reporting and compliance.

The Halford Firm, PLLC

Vicksburg, Mississippi
September 25, 2023

BASIC FINANCIAL STATEMENTS

**Government-Wide
Financial Statements**

**MADISON PARISH POLICE JURY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022**

	<u>Primary Government Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 6,990,712
Investments	6,330,143
Receivables	5,322,123
Capital assets, net of accumulated depreciation	6,909,870
Prepaid lease, net of accumulated amortization	<u>286,038</u>
Total Assets	<u>25,838,886</u>
Deferred Outflows of Resources	<u>1,318,583</u>
Liabilities	
Accounts, salaries and other payables	443,064
Long-term liabilities:	
Due within one year	136,222
Due in more than one year	332,451
OPEB payable	441,420
Net pension liability	<u>1,172,526</u>
Total Liabilities	<u>2,525,683</u>
Deferred Inflows of Resources	<u>152,875</u>
Net Position	
Invested in capital assets, net of related debt	6,909,870
Restricted for:	
Criminal Court	(1,033,903)
Library	2,151,695
Garbage collection	2,262,367
Health unit	2,209,558
Drainage and roads	2,398,152
Courthouse and jail	7,384,706
American Rescue	1,930,250
Other special revenue funds	307,594
Unrestricted	<u>(41,378)</u>
Total Net Position	<u>\$ 24,478,911</u>

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

**MADISON PARISH POLICE JURY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Expenses	Program Revenues			Primary Government Governmental Activities Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Functions/Programs					
Primary Government: Governmental Activities:					
General government:					
Legislative	\$ 141,904	\$ -	\$ -	\$ -	\$ (141,904)
Judicial	1,019,393	23,779	-	-	(995,614)
Elections	29,832	-	-	-	(29,832)
Finance and administrative	463,321	1,001	37,591	-	(424,729)
Other general government	-	-	-	-	-
Public safety	198,177	-	12,221	-	(185,956)
Public works	4,016,571	566,998	198,067	-	(3,251,506)
Health and welfare	202,943	-	50,506	-	(152,437)
Culture and recreation	741,696	3,081	6,922	-	(731,693)
Economic development and assistance	100,227	-	-	996,052	895,825
Transportation	54,741	-	189,110	-	134,369
Miscellaneous	34,036	23,695	397,895	-	387,554
Interest on long-term debt	772	-	-	-	(772)
Total Governmental Activities	<u>\$ 7,003,613</u>	<u>\$ 618,554</u>	<u>\$ 892,312</u>	<u>\$ 996,052</u>	<u>(4,496,695)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					4,846,478
Other taxes and penalties					498,049
State revenue sharing					45,506
Severance tax					17,734
Video Poker					307,540
Licenses and permits					105,069
Interest and investment earning					70,187
Miscellaneous					<u>701,677</u>
Total general revenues					<u>6,592,240</u>
Change in net position					2,095,545
Net position - beginning - restated					<u>22,383,366</u>
Net position - ending					<u>\$ 24,478,911</u>

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

BASIC FINANCIAL STATEMENTS

Fund Financial Statements

**MADISON PARISH POLICE JURY
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Criminal Court	Library	Garbage Maintenance	Health Unit
Assets					
Cash and cash equivalents	\$ 281,324	\$ 5,694	\$ 569,173	\$ 741,003	\$ 964,740
Investments	-	-	1,038,589	1,086,146	984,445
Receivables	643,155	27,491	549,485	482,888	212,816
Interfund Receivables	1,091,911	-	-	-	47,751
Total Assets	<u>2,016,390</u>	<u>33,185</u>	<u>2,157,247</u>	<u>2,310,037</u>	<u>2,209,752</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts, salaries, and other payables	331,838	7,876	5,552	3,971	194
Interfund payables	1,355,390	1,059,212	-	43,699	-
Total Liabilities	<u>1,687,228</u>	<u>1,067,088</u>	<u>5,552</u>	<u>47,670</u>	<u>194</u>
Fund Balances:					
Restricted	-	(1,033,903)	2,151,695	2,262,367	2,209,558
Unassigned	329,162	-	-	-	-
Total Fund Balance	<u>329,162</u>	<u>(1,033,903)</u>	<u>2,151,695</u>	<u>2,262,367</u>	<u>2,209,558</u>
Total Liabilities and Fund Balances	<u>\$ 2,016,390</u>	<u>\$ 33,185</u>	<u>\$ 2,157,247</u>	<u>\$ 2,310,037</u>	<u>\$ 2,209,752</u>

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

**MADISON PARISH POLICE JURY
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2022 - continued**

	Courthouse and Jail	Public Works	American Rescue	Other Governmental	Total
Assets					
Cash and cash equivalents	\$ 2,072,055	\$ 48,384	\$ 1,930,250	\$ 378,089	\$ 6,990,712
Investments	3,220,963	-	-	-	6,330,143
Receivables	970,089	2,174,396	-	1,470	5,061,790
Interfund Recievables	1,136,659	195,310	-	16,200	2,487,831
Total Assets	7,399,766	2,418,090	1,930,250	395,759	20,870,476
Liabilities and Fund Balances					
Liabilities:					
Accounts, salaries, and other payables	15,060	19,938	-	58,635	443,064
Interfund payables	-	-	-	29,530	2,487,831
Total Liabilities	15,060	19,938	-	88,165	2,930,895
Fund Balances:					
Restricted	7,384,706	2,398,152	1,930,250	307,594	17,610,419
Unassigned	-	-	-	-	329,162
Total Fund Balance	7,384,706	2,398,152	1,930,250	307,594	17,939,581
Total Liabilities and Fund Balances	\$ 7,399,766	\$ 2,418,090	\$ 1,930,250	\$ 395,759	\$20,870,476

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

**MADISON PARISH POLICE JURY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022**

Total fund balances - governmental funds \$ 17,939,581

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	17,045,103	
Depreciation expense to date	<u>(10,135,233)</u>	
		6,909,870

Receivables collected more than 60 days after the close of the accounting period are not recorded on the fund financial statements, but they are included on the Statement of Net Position. 260,334

Pension related items are not reported in the fund financial statements:

Deferred outflows	1,318,583	
Deferred inflows	(152,875)	
Net pension liability	<u>(1,172,526)</u>	
		(6,818)

Long-term liabilities are not due and payable in the current period and accordingly are not reported in the fund statements.

Balances at December 31, 2021, are:

Long-term liabilities		
Judgment payable	(177,500)	
Note payable	(5,135)	
OPEB obligation	<u>(441,420)</u>	
		<u>(624,055)</u>

Net Position	<u><u>\$ 24,478,912</u></u>
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The accompanying notes are an integral part of this financial statement.

**MADISON PARISH POLICE JURY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Criminal Court	Library	Garbage Maintenance	Health Unit
Revenues					
Local sources:					
Taxes:					
Ad valorem	\$ 352,550	\$ -	\$ 584,332	\$ 436,635	\$ 213,263
Other taxes and penalties	190,509	-	-	-	-
Licenses and permits	100,542	-	-	-	-
Intergovernmental revenues:					
Federal funds - federal grants	37,591	-	6,922	11,365	50,506
State funds:					
Parish transportation funds	-	-	-	-	-
State revenue sharing (net)	6,268	-	4,870	3,448	2,750
Severance taxes	17,734	-	-	-	-
Other state grants	307,540	-	-	-	-
Fees, charges, and commissions					
for services	1,001	23,779	3,081	565,898	-
Fines and forfeitures	-	335,059	315	-	-
Use of money and property	5,055	276	9,292	16,468	8,123
Other revenues	389,477	104,425	4	95	-
Total Revenues	1,408,267	463,539	608,816	1,033,909	274,642
Expenditures					
Current:					
General government:					
Legislative	141,904	-	-	-	-
Judicial	502,887	516,256	-	-	-
Elections	29,832	-	-	-	-
Finance and administrative	250,688	-	-	-	-
Public safety	206,680	-	-	-	-
Public works	542	-	-	972,898	-
Health and welfare	34,224	-	-	-	168,719
Culture and recreation	6,869	-	593,109	-	-
Economic development and assistance	83,273	-	-	-	-
Transportation	54,741	-	-	-	-
Miscellaneous	34,036	-	-	-	-
Debt service	19,944	-	-	-	-
Capital outlay	297,027	-	-	-	4,934
Total Expenditures	1,662,647	516,256	593,109	972,898	173,653
Excess (Deficiency) of Revenues Over Expenditures	(254,380)	(52,717)	15,707	61,011	100,989
Other Financing Sources (Uses)					
Transfers in	571,620	69,732	-	-	-
Transfers out	(320,228)	-	(86,119)	-	-
Total Other Financing Sources (Uses)	251,392	69,732	(86,119)	-	-
Net Change in Fund Balances	(2,988)	17,015	(70,412)	61,011	100,989
Fund Balances - beginning	332,150	(1,050,918)	2,222,107	2,201,356	2,108,569
Fund Balances - ending	\$ 329,162	\$ (1,033,903)	\$ 2,151,695	\$ 2,262,367	\$ 2,209,558

-continued

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

**MADISON PARISH POLICE JURY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS
FOR THE YEAR ENDED DECEMBER 31, 2022 – continued**

	Courthouse and Jail	Public Works	American Rescue	Other Governmental	Total
Revenues					
Local sources:					
Taxes:					
Ad valorem	\$ 1,010,434	\$ 2,249,264	\$ -	\$ -	\$ 4,846,478
Other taxes and penalties	-	-	-	-	190,509
Licenses and permits	-	-	-	4,527	105,069
Intergovernmental revenues:					
Federal funds - federal grants	12,221	198,067	996,052	242,759	1,555,483
State funds:					
Parish transportation funds	-	189,110	-	-	189,110
State revenue sharing (net)	-	28,170	-	-	45,506
Severance taxes	-	-	-	-	17,734
Other state grants	17,107	83,745	-	15,085	423,477
Fees, charges, and commissions for services	-	1,100	-	23,695	618,554
Fines and forfeitures	-	-	-	-	335,374
Use of money and property	19,097	10,321	-	1,555	70,187
Other revenues	6,089	330	-	201,257	701,677
Total Revenues	1,064,948	2,760,107	996,052	488,878	9,099,158
Expenditures					
Current:					
General government:					
Legislative	-	-	-	-	141,904
Judicial	-	-	-	250	1,019,393
Elections	-	-	-	-	29,832
Finance and administrative	122,034	-	-	4,715	377,437
Public safety	1,465,919	-	-	247,565	1,920,164
Public works	-	2,812,845	-	177,193	3,963,478
Health and welfare	-	-	-	-	202,943
Culture and recreation	-	-	-	13,487	613,465
Economic development and assistance	-	-	16,954	-	100,227
Transportation	-	-	-	-	54,741
Miscellaneous	-	-	-	-	34,036
Debt services	-	-	-	-	19,944
Capital outlay	-	-	-	-	301,961
Total Expenditures	1,587,953	2,812,845	16,954	443,210	8,779,525
Excess (Deficiency) of Revenues Over Expenditures	(523,005)	(52,738)	979,098	45,668	319,633
Other Financing Sources (Uses)					
Transfers in	-	-	-	8,477	649,829
Transfers out	-	(232,739)	-	(10,743)	(649,829)
Total Other Financing Sources (Uses)	-	(232,739)	-	(2,266)	-
Net Change in Fund Balances	(523,005)	(285,477)	979,098	43,402	319,633
Fund Balances - beginning	7,907,711	2,683,629	951,152	264,192	17,619,948
Fund Balances - ending	\$ 7,384,706	\$ 2,398,152	\$ 1,930,250	\$ 307,594	\$ 17,939,581

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

**MADISON PARISH POLICE JURY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES/DEFICITS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Total net change in fund balances - governmental funds \$ 319,633

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

Capital outlays are reported in governmental funds as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated over their
estimated useful lives as depreciation expense. This is the amount by which
depreciation expense exceeds capital outlay in the current period: (26,860)

Governmental funds do not report funds received more than 60 days after the
end of the year as revenues in the current year, but the Statement of
Activities reports all receivables regardless of when collected. This is the net
change resulting from recording all receivables on the Statement of Activities. 254,453

Payments of long-term debt are reported as expenditures in governmental funds.
However, those amounts are a reduction of long-term liabilities in the Statement
of Net Position and are not reflected in the Statement of Activities. 19,944

Governmental funds reports pension expense based on contributions required
for the current year; however, pension expense reported on the government
wide basis is influenced by actuaries considerations. 1,470,783

The Statement of Activities recorded unfunded cost of post employment
medical insurance cost (OPEB) in the current year, but it will not be recorded
in Governmental funds until actually paid. 57,592

Change in net position of governmental activities \$ 2,095,545

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

INTRODUCTION

The Madison Parish Police Jury (the Police Jury) is the governing authority for Madison Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by five jurors representing the various districts within the parish. The jurors serve four-year terms which expire on January 10, 2024.

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

In accomplishing its objectives, the Police Jury also has authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protections, library facilities, and health care facilities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Madison 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. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be considered part of the Madison Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

- A. 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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

B. REPORTING ENTITY - continued

Organization for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.

Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year Ended</u>	<u>Criteria Used</u>
Madison Parish Hospital		
Service District	December 31	1 and 3
Madison Parish Port Commission	December 31	1 and 3
Madison Parish Recreation District	December 31	1 and 3
Afton Fire Protection	December 31	1 and 3
Mound Fire Protection	December 31	1 and 3
Bear Lake Fire Protection Dist. No. 1	December 31	1 and 3
Madison Parish Tax Assessor	December 31	2 and 3
Madison Parish Clerk of Court	June 30	2 and 3
Madison Parish Sheriff	June 30	2 and 3
Madison Parish Tourism Commission	December 31	1 and 3
Madison Parish Communications District	December 31	1 and 3

The component units listed above are not included in the basic financial statements.

Considered in the determination of component units of the reporting entity were the Madison Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Madison Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Madison Parish Police Jury.

C. FUND ACCOUNTING

The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The governmental funds are divided into separate "fund types." Governmental funds are to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The Police Jury's current operations require the use of governmental funds. The fund types used by the Police Jury are described as follows:

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. FUND ACCOUNTING - continued

Governmental Funds

Governmental funds account for all or most of the Police Jury's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Police Jury. The following are the Police Jury's governmental funds:

General Fund – The general fund in the general operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

Criminal Court – This fund accounts for the activities performed in the parish criminal court system.

Library Fund – This fund accounts for the activities performed for the public library.

Garbage Maintenance – This fund accounts for the parish garbage collection services.

Health Unit – This fund accounts for funds for the parish health center.

Public Works – This fund accounts for funds used to maintain the parish roads and streets.

American Rescue Plan – This fund accounts for revenues and expenditures provided by the American Rescue Plan Act of 2021

Courthouse and Jail – This fund accounts for the operation and maintenance of the courthouse and jail.

Other Governmental – This fund is comprised of all non-major funds which include Memorial, Group Health Savings, Grant Fund, Witness Fees, FEMA Disaster, Emergency Shelter Donation, Recreation Board, LCDBG, and Building Fund.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions*. Fiduciary funds are not included in the government-wide financial statements.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – continued

Program revenues – Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry. As a whole, program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Allocation of indirect expenses – The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds – The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar-year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales tax is susceptible to accrual.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

Interest income on time deposits is recognized when the time deposits have matured, and the interest is available.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – continued

Substantially all other revenues are recognized when they become available to the Police Jury. Based on the above criteria, ad valorem taxes, federal and state grants, fines and forfeitures, and court costs have been treated as susceptible to accrual.

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

Other Financing Sources (Uses) – Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

E. BUDGETARY ACCOUNTING

Preliminary budgets for the ensuing year are prepared by the secretary treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's regular December meeting, and a notice of the adoptions is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at the year end and must be re-appropriated in next year's budget to be expended.

F. ENCUMBRANCE

Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is employed in governmental funds.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

H. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The Police Jury invests in authorized U.S. government securities. Investments are carried at fair market value based on quoted market prices. The Police Jury's intent is to hold all investments to maturity.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

J. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities' column.

K. CAPITAL ASSETS

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). The Police Jury has a capitalization threshold of \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. General assets are capitalized and valued at historical cost or estimated historical cost. Interest during construction was not capitalized on capital assets prior to January 1, 1999. Estimated useful life is management's estimate of how long the asset is expected to meet services demand. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings and improvements	20-40 years
Equipment and furniture (including vehicles)	5-15 years
Books, periodicals, and law books	10 years

L. FUND EQUITY

Beginning with fiscal year 2011, the Police Jury implemented GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

L. FUND EQUITY - continued

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

Committed Fund Balance – amounts constrained to specific purposes by the Police Jury itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Police Jury takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance – amounts the Police Jury intends to use for a specific purpose. Intent is expressed by the Madison Parish Police Jury.

Unassigned Fund Balance – amounts that are available for any purpose. These amounts are reported only in the general fund.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Police Jury considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Police Jury considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Police Jury has provided otherwise their commitment or assignment actions.

M. COMPENSATED ABSENCES

Employees of the Police Jury receive 10 to 20 days of annual leave each year, depending on the length of service. A maximum of 5 days annual leave may be carried forward to next year. Upon voluntary resignation or retirement, employees are compensated for annual leave accumulated to the date of separation. Sick leave is credited to a permanent full-time employee at the rate of 1 day for each month of continuous employment. Sick leave may accumulate to a maximum of 90 days. Upon retirement, all unused accumulated sick leave is used in retirement benefit computations as earned services.

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

O. USE OF ESTIMATES

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

P. RESTRICTED NET POSITION

For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.

Imposed by law through constitutional provisions or enabling legislation. Restricted net position reported by the Police Jury is restricted by enabling legislation.

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

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 2022, the Police Jury has cash and cash equivalents totaling \$6,990,712 as follows:

Demand deposits	\$ 2,191,649
Interest bearing demand deposits	4,798,924
Petty cash	139
Total	<u>\$ 6,990,712</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposits' 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.

Even though the pledged securities are considered uncollateralized 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.

As of December 31, 2022, the book balance of the Police Jury's deposit was \$6,990,712 and the bank balance was \$7,475,165. Of the bank balance, \$981,356 was covered by federal depository insurance and \$6,493,809 by pledged securities.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTIBILITY

A. Deficit Fund Balances

The following fund has a deficit in the fund balance at December 31, 2022:

<u>Fund</u>	<u>Amount of Deficit</u>
Criminal Court	\$ (1,033,903)

B. Excess of Budgeted Revenues Over Actual Revenues in Individual Funds

The following funds had budgeted revenues greater than actual revenues for the year ended December 31, 2022.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variances</u>
Health Unit	\$ 279,767	\$ 274,642	\$ (5,125)

C. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds

The following funds had actual expenditures greater than budgeted expenditures for the year ended December 31, 2022.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 1,026,920	\$ 1,662,647	\$ (635,727)
Garbage Maintenance	879,627	972,898	(93,271)
Health Unit	157,739	173,653	(15,914)
Public Works	2,538,779	2,812,845	(274,066)
American Rescue Plan	-	16,954	(16,954)

NOTE 4. LEVIED TAXES

The Police Jury levies taxes on real and business personal property located within Madison Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Madison Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Madison Parish Sheriff's Office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Levy date	No later than November 15 th
Tax bills mailed	October-November
Due date	December 31 st
Lien date	Date of filing in Clerk of Court's office
Tax sale – 2022 delinquent property	April, 2023

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4. LEVIED TAXES- continued

Assessed values are established by the Madison Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all properties is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2022. Total assessed value was \$11,588,972 in the calendar year 2022. Louisiana state law exempts the first \$7,500 of the assessed value of taxpayer's primary residence from parish property taxes. This homestead exemption was \$1,144,822 of the assessed value in calendar year 2022.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, library, garbage maintenance, health unit, public works, and courthouse and jail funds. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivables are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2022 property taxes to be collected occurs in December of the current year and January and February of the next year. Historically, virtually all ad valorem taxes receivables were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4. LEVIED TAXES - continued

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2022:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
General Fund/In	1.73	1.63	Indefinite
General Fund/Out	3.46	3.27	Indefinite
Health Unit	1.18	1.18	2026
Library	3.56	3.56	2032
Garbage Collection	9.03	9.03	2026
Drainage and Roads	17.10	17.10	2028
Courthouse and Jail	2.71	2.71	2032
Library 2002	1.94	1.94	2031
Health Unit 2002	1.50	1.50	2031
Courthouse and Jail 2007	7.00	7.00	2026
Council on Aging	1.00	0.97	2030
Public Transportation	1.00	1.00	2032
Fire	2.00	2.00	2024

The difference between authorized and levied mileages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

NOTE 5. DEPOSITS AND INVESTMENTS

At December 31, 2022, the Police Jury had the following investments:

<u>Investment Type</u>	<u>Maturities</u>	<u>Fair Value</u>
Government securities	Less than 1 year	<u>\$6,330,143</u>

Interest Rate Risk: The Police Jury's policy does not address interest rate risk.

Credit Risk: The Police Jury invests in certificate of deposit and U.S. Treasury securities which do not have credit ratings.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6. RECEIVABLES

The following is a summary of receivables at December 31, 2022:

	General	Criminal Court	Library	Garbage Maintenance	Health Unit	Public Works	Courthouse and Jail	Other Governmental	Total Governmental Fund
Taxes:									
Ad Valorem	\$ 569,346	\$ -	\$ 549,485	\$ 451,076	\$ 208,803	\$ 2,159,474	\$ 970,089	\$ -	\$ 4,908,273
Other taxes	-	-	-	-	-	-	-	-	-
Gaming	48,039	-	-	-	-	-	-	-	48,039
Other	25,770	27,491	-	31,812	4,013	14,922	-	1,470	105,478
Total	<u>\$ 643,155</u>	<u>\$ 27,491</u>	<u>\$ 549,485</u>	<u>\$ 482,888</u>	<u>\$ 212,816</u>	<u>\$ 2,174,396</u>	<u>\$ 970,089</u>	<u>\$ 1,470</u>	<u>\$ 5,061,790</u>

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of accounts receivable is expected to be collected in full so no allowance for doubtful accounts has been established.

NOTE 7. INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Due from/to other funds:

Receivable Fund	Amount	Payable Fund	Amount
General Fund	\$ 1,091,911	General Fund	\$1,355,390
Criminal Court	-	Criminal Court	1,059,212
Library	-	Library	-
Garbage Maintenance	-	Garbage Maintenance	43,699
Health Unit	47,751	Health Unit	-
Public Works	195,310	Public Works	-
Courthouse and Jail	1,136,659	Courthouse and Jail	-
Other Governmental	16,200	Other Government	29,530
Total	<u>\$ 2,487,831</u>		<u>\$2,487,831</u>

The interfund balances are loans between funds to cover operating expenses.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8. CAPITAL ASSETS

The following schedule presents changes in capital assets for the Police Jury:

	Balance, Beginning	Additions	Deletions	Balance, Ending
Governmental activities				
Not subject to depreciation:				
Land	\$ 188,750	\$ -	\$ -	\$ 188,750
Quebec Road	3,771,405	-	-	3,771,405
Subject to depreciation:				
Health Unit	1,688,635	-	-	1,688,635
Buildings and improvements	6,443,323	-	-	6,443,323
Furniture and equipment	3,821,760	297,027	-	4,118,787
Books and periodicals	834,203	-	-	834,203
Total	<u>16,748,076</u>	<u>297,027</u>	<u>-</u>	<u>17,045,103</u>
Less accumulated depreciation				
Buildings and improvements	5,698,305	127,406	-	5,825,711
Furniture and equipment	3,343,298	132,021	-	3,475,319
Books and periodicals	764,809	69,394	-	834,203
Total	<u>9,806,412</u>	<u>328,821</u>	<u>-</u>	<u>10,135,233</u>
Governmental activities capital assets, net	<u>\$ 6,941,664</u>	<u>\$ (31,794)</u>	<u>\$ -</u>	<u>\$ 6,909,870</u>

Current year depreciation expense was charged to governmental activities for the Police Jury as follows:

Judicial	\$ -
Elections	19,768.00
Other general government	66,116.00
Public safety	61,613.00
Public works	53,093.00
Health and welfare	-
Culture and recreation	128,231.00
Total	<u>\$328,821.00</u>

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by Plan A of the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or age 65 and 7 years of service. Only employees hired prior to January 1, 2001, are eligible for benefits.

Life insurance coverage is not considered for this valuation.

Employees Covered by Benefit Terms. At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>3</u>
	<u><u>9</u></u>

Total OPEB Liability

The Police Jury's total OPEB liability of \$441,420 was measured as of December 31, 2022, the end of the fiscal year.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	4.75%, including inflation
Discount rate	2.06% annually (Beginning of Year to Determine ADC)
	3.72%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Getzen Model
Mortality	PubG.H-2010

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

The discount rate was based on the average of the Bond Buyers' 20-year General Obligation municipal bond index as of December 31, 2022, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009, to December 31, 2022.

Changes in the Total OPEB Liability

Balance at December 31, 2021	\$ 499,012
Changes for the year:	
Service cost	-
Interest	9,956
Differences between expected and actual experience	36,781
Changes in assumptions	(72,781)
Benefit payments and net transfers	(31,548)
Net changes	(57,592)
Balance at December 31, 2022	\$ 441,420

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.72%) or 1-percentage-point higher (4.72%) than the current discount rate:

	1.0% Decrease (2.72%)	Current Discount Rate (3.72%)	1.0% Increase (4.72%)
Total OPEB Liability	\$ 483,022	\$ 441,420	\$ 405,540

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB Liability	\$ 407,646	\$ 441,420	\$ 479,698

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

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

For the year ended December 31, 2022, the Police Jury recognized OPEB expense of \$(26,044). At December 31, 2022, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Total	<u>\$ -</u>	<u>\$ -</u>

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

Years ending December 31:	
2023	-
2024	-
2025	-
2026	-
2027	-
Thereafter	-

NOTE 10. ACCOUNTS PAYABLE, SALARIES AND OTHER PAYABLES

At December 31, 2022, the Police Jury had the following payables:

	General Fund	Criminal Court	Library Fund	Garbage Maintenance	Health Unit	Public Works	Courthouse and Jail	Other Governmental	Total
Vendors	\$ 331,838	\$ 7,876	\$ 5,552	\$ 3,971	\$ 194	\$ 19,938	\$ 15,060	\$ 58,635	\$ 443,064
Payroll	-	-	-	-	-	-	-	-	-
Total	<u>\$ 331,838</u>	<u>\$ 7,876</u>	<u>\$ 5,552</u>	<u>\$ 3,971</u>	<u>\$ 194</u>	<u>\$ 19,938</u>	<u>\$ 15,060</u>	<u>\$ 58,635</u>	<u>\$ 443,064</u>

NOTE 11. COMPENSATED ABSENCES

At December 31, 2022, no accrual has been made for accumulated and vested employee benefits as this amount is deemed immaterial.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 12. LONG-TERM LIABILITIES

The following is a summary of the long-term liabilities' transactions and balances for the year ended December 31, 2022:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due within One year
Governmental Activities:					
Claims and judgments payable	\$ 177,500	\$ -	\$ -	\$ 177,500	\$ -
Leases payable	221,624	199,431	135,017	286,038	131,086
Note payable	25,080	-	19,944	5,136	5,136
Net pension liability	-	1,172,526	-	1,172,526	-
OPEB obligation	499,012	-	57,592	441,420	-
Governmental Activities:					
Long-term liabilities	<u>\$ 923,216</u>	<u>\$ 1,371,957</u>	<u>\$ 212,553</u>	<u>\$ 2,082,620</u>	<u>\$ 136,222</u>

Future payment requirements are as follows:

	<u>Principal</u>
2023	136,222
2024	92,107
2025	37,026
2026	23,902
2027	1,916
Thereafter	1,791,447
	<u>\$ 2,082,620</u>

NOTE 13. INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2022, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 571,620	\$ 320,228
Criminal Court	69,732	-
Library	-	86,119
Public Works	-	232,739
Other Governmental	8,477	10,743
Total	<u>\$ 649,829</u>	<u>\$ 649,829</u>

The purpose of the interfund transfers was to assist in covering operating expenses.

NOTE 14. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the parish General Fund. However, for the year ended December 31, 2022, the Criminal Fund does not have a year-end balance for transfer. A balance of \$1,059,212 is due to the General Fund at December 31, 2022, for prior and current year transfers and loans.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 15. LITIGATION AND CLAIMS

At December 31, 2022, the Police Jury is involved in litigation or is aware of claims totaling \$177,500 that are not covered by insurance. Of this amount, \$177,500 has been recorded as a liability in the government-wide financial statements.

In the year ended December 31, 2022, the Police Jury was involved in a litigation matter over the award of a contract for solid waste collection and disposal. Discovery is ongoing, and the Police Jury is strenuously opposing the litigation. The Police Jury believes there is a significant likelihood of a ruling in favor of the Police Jury and have not recorded any liability or payable related to this lawsuit.

Grant Disallowances. The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grant.

NOTE 16. RISK MANAGEMENT

The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies.

NOTE 17. LEASES

The Police Jury has several lease agreements for equipment. The equipment is included in governmental activities assets at a cost of \$421,055, with accumulated amortization totaling \$135,017 at December 31, 2022. Interest has been imputed at a range of 4.00% to 4.25%, and the Police Jury will make monthly payments through January, 2027.

The future minimum lease payments are as follows:

<u>Year Ended December 31st</u>	<u>Future minimum lease payments</u>
2023	\$ 131,086
2024	92,107
2025	37,026
2026	23,902
2027	1,917
Total	<u>\$ 286,038</u>

NOTE 18. DEFICIT FUND BALANCE

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

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 19. PENSION PLAN

Substantially all employees of the Parish are members of the Parochial Employees' Retirement System (PERS). The plan is administered by a separate board of trustees and is a cost-sharing, multiple-employer defined benefit pension plan. The System issues annual, publicly- available financial reports that include financial statements and required supplementary information for the system. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org. All permanent employees working at least 28 hours per week are eligible to participate in the System.

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

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

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with 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 creditable service.

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

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

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

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

Contributions- Per Act 765 of the 1979 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 7.10% of their annual pay. The Parish's contractually required contribution rate was 11.5% for the periods ending December 31, 2022 and 2021.

Contributions to the System from the Parish for December 31, 2022 and 2021 were \$237,670 and \$416,106, respectively, equal to the required contributions for each year.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 19. PENSION PLAN (Continued)

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

At December 31, 2022, the Parish reported a liability of \$1,172,526 for its proportionate share of the net pension asset. The net pension liability (asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Parish's proportion of the net pension liability was based on a projection of the Parish's December 31, 2022, contribution to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Parish's proportion was 0.304648%, which was an increase of 0.008786% from its proportion measured as of December 31, 2021. For the year ended December 31, 2022, The Parish recognized pension expense of \$642,917. At December 31, 2022, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,351	\$ 129,184
Net difference between projected and actual earnings on pension plan investments	1,237,812	-
Changes in proportion and differences between parish contributions and proportionate share of contributions	-	23,691
Change of assumption	37,420	-
Parish contributions subsequent to the measurement date	-	-
	<u>\$ 1,318,583</u>	<u>\$ 152,875</u>

\$24,981 reported as deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:

December 31, 2024	\$ 70,393
December 31, 2025	132,405
December 31, 2026	184,552

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 19. PENSION PLAN (Continued)

Actuarial Assumptions – A summary of the actuarial methods and assumptions used in determining the total pension liability (asset) as of December 31, 2022, are as follows:

Valuation Date	December 31, 2022
Actuarial Cost Method	Plan A - Entry Age Normal
Investment Rate of Return	6.40%, Net of Investment Expense, including inflation
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A - 4.75%
Cost of Living Adjustments	The present value of future retirements 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 increase 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 Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension liability was 6.40%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing / diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

**MADISON PARISH POLICE JURY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 19. PENSION PLAN (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long - Term Expected Portfolio Real Rate of Return</u>
Fixed Income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real Assets	2%	0.12%
Total	100%	5.60%

Inflation	2.10%
Expected Arithmetic Nominal Return	7.70%

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

Sensitivity of the Parish's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Parish's proportionate share of the net pension liability as of December 31, 2022 calculated using the discount rate of 6.40%, as well as what the Parish's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	<u>1.00% Decrease 5.40%</u>	<u>Current Discount Rate 6.40%</u>	<u>1.00% Increase 7.40%</u>
The Parish's Proportionate Share of the Net Pension Liability (asset)	\$ 2,899,697	\$ 1,172,526	\$ (275,485)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

NOTE 20. SUBSEQUENT EVENTS

Subsequent events were evaluated through September 25, 2023, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

MADISON PARISH POLICE JURY

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets

General Fund

The General fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

Criminal Court

This fund accounts for the accounts for the activities performed in the parish criminal court system. Financing is provided primarily by fines and forfeitures.

Library

The Library fund accounts for the operations of the parish library. Financing is provided by a specific parish-wide ad valorem tax.

Garbage Maintenance

The Garbage Maintenance fund accounts for the operations of the parish-wide garbage collection process. Financing is provided by a specific parish-wide ad valorem tax and user fees.

Health Unit

The Health Unit fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parish-wide ad valorem tax.

Public Works

The Public Works fund accounts for the maintenance of the parish highways, streets, and bridges. Financing is provided by a specific parish-wide ad valorem tax.

American Rescue Plan

This fund accounts for revenues and expenditures provided by the American Rescue Plan Act of 2021.

Courthouse and Jail

The Courthouse and Jail fund accounts for the maintenance and operation of the courthouse and jail. Financing is provided by a specific parish-wide ad valorem tax.

**MADISON PARISH POLICE JURY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 537,571	\$ 537,571	\$ 537,571	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	581,105	581,105	352,550	(228,555)
Other taxes, penalties and interest	-	-	190,509	190,509
Licenses and permits	152,360	152,360	100,542	(51,818)
Intergovernmental revenues:				
Federal funds	7,200	7,200	37,591	30,391
State funds:				
State revenue sharing (net)	4,000	4,000	6,268	2,268
Severance taxes	8,000	8,000	17,734	9,734
Other	245,000	245,000	307,540	62,540
Fees, charges, and commissions for services	900	900	1,001	101
Fines and forfeitures	-	-	-	-
Use of money and property	50	50	5,055	5,005
Other revenues	256,947	256,947	389,477	132,530
Amounts available for appropriations	1,255,562	1,255,562	1,408,267	152,705
Charges to appropriations (outflows)				
General government:				
Legislative	212,018	212,018	141,904	70,114
Judicial	384,285	384,285	502,887	(118,602)
Elections	25,139	25,139	29,832	(4,693)
Finance and administration	188,642	188,642	250,688	(62,046)
Other general government	-	-	-	-
Public safety	26,129	26,129	206,680	(180,551)
Public works	250	250	542	(292)
Health and welfare	29,226	29,226	34,224	(4,998)
Culture and recreation	4,375	4,375	6,869	(2,494)
Economic development and assistance	77,156	77,156	83,273	(6,117)
Transportation	79,700	79,700	54,741	24,959
Capital outlay	-	-	297,027	(297,027)
Miscellaneous	-	-	53,980	(53,980)
Total charges to appropriations	1,026,920	1,026,920	1,662,647	(635,727)
Budgetary Fund Balance - ending	766,213	766,213	283,191	(483,022)
Interfund transfer	-	-	251,392	(251,392)
GAAP Fund Balance- ending	\$ 766,213	\$ 766,213	\$ 534,583	\$ (231,630)

**MADISON PARISH POLICE JURY
CRIMINAL COURT
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ (1,033,903)	\$ (1,033,903)	\$ (1,033,903)	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	-	-	-	-
Intergovernmental revenues:				
Federal funds	-	-	-	-
State funds:				
State revenue sharing (net)	-	-	-	-
Other state grants	-	-	-	-
Fees, charges, and commissions for services	10,000	10,000	23,779	13,779
Fines and forfeitures	225,100	225,100	335,059	109,959
Use of money and property	20	20	276	256
Other revenues	36,080	36,080	104,425	68,345
	<u>271,200</u>	<u>271,200</u>	<u>463,539</u>	<u>192,339</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
Judicial	452,935	452,935	516,256	(63,321)
Capital outlay	-	-	-	-
	<u>452,935</u>	<u>452,935</u>	<u>516,256</u>	<u>(63,321)</u>
Total charges to appropriations				
Budgetary Fund Balance - ending	(1,215,638)	(1,215,638)	(1,086,620)	(129,018)
Interfund transfer	10,000	10,000	69,732	(59,732)
GAAP Fund Balance- ending	<u>\$ (1,205,638)</u>	<u>\$ (1,205,638)</u>	<u>\$ (1,016,888)</u>	<u>\$ (188,750)</u>

**MADISON PARISH POLICE JURY
LIBRARY
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 2,222,107	\$ 2,222,107	\$ 2,222,107	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	562,700	562,700	584,332	21,632
Intergovernmental revenues:				
Federal funds	7,000	7,000	6,922	(78)
State funds:				
State revenue sharing (net)	7,500	7,500	4,870	(2,630)
Other state grants	-	-	-	-
Fees, charges, and commissions for services	2,385	2,385	315	(2,070)
Fines and forfeitures	100	100	3,081	2,981
Use of money and property	3,000	3,000	9,292	6,292
Other revenues	-	-	4	4
Amounts available for appropriations	582,685	582,685	608,816	26,131
Charges to appropriations (outflows)				
Culture and recreation	688,204	688,204	593,109	95,095
Capital outlay	17,000	17,000	-	17,000
Total charges to appropriations	705,204	705,204	593,109	112,095
Budgetary Fund Balance - ending	2,099,588	2,099,588	2,237,814	138,226
Interfund transfer	-	-	(86,119)	(86,119)
GAAP Fund Balance- ending	\$ 2,099,588	\$ 2,099,588	\$ 2,151,695	\$ 52,107

**MADISON PARISH POLICE JURY
GARBAGE MAINTENANCE
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 2,201,356	\$ 2,201,356	\$ 2,201,356	-
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	461,910	461,910	436,635	(25,275)
Intergovernmental revenues:				
Federal funds	12,000	12,000	11,365	(635)
State funds:				
State revenue sharing (net)	5,300	5,300	3,448	(1,852)
Fees, charges, and commissions for services	522,300	522,300	565,993	43,693
Use of money and property	450	450	16,468	16,018
Amounts available for appropriations	1,001,960	1,001,960	1,033,909	31,949
Charges to appropriations (outflows)				
General government:				
Other general government	-	-	-	-
Public works	879,627	879,627	972,898	(93,271)
Capital outlay	-	-	-	-
Total charges to appropriations	879,627	879,627	972,898	(93,271)
Budgetary Fund Balance - ending	\$ 2,323,689	\$ 2,323,689	\$ 2,262,367	\$ (61,322)

**MADISON PARISH POLICE JURY
HEALTH UNIT
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 2,108,569	\$ 2,108,569	\$ 2,108,569	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	213,817	213,817	213,263	(554)
Intergovernmental revenues:				
Federal funds	53,800	53,800	50,506	(3,294)
State funds:				
State revenue sharing (net)	4,250	4,250	2,750	(1,500)
Use of money and property	7,900	7,900	8,123	223
Amounts available for appropriations	279,767	279,767	274,642	(5,125)
Charges to appropriations (outflows)				
General government:				
Finance and administration	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	157,739	157,739	168,719	(10,980)
Capital outlay	-	-	4,934	(4,934)
Total charges to appropriations	157,739	157,739	173,653	(15,914)
Budgetary Fund Balance - ending	\$ 2,230,597	\$ 2,230,597	\$ 2,209,558	\$ (21,039)

**MADISON PARISH POLICE JURY
PUBLIC WORKS
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 2,683,629	\$ 2,683,629	\$ 2,683,629	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	2,211,333	2,211,333	2,249,264	37,931
Intergovernmental revenues:				
Federal funds	21,720	21,720	198,067	176,347
State funds:				
State revenue sharing (net)	43,200	43,200	28,170	(15,030)
Parish transportation funds	190,000	190,000	189,110	(890)
Other	-	-	83,745	83,745
Fees, charges, and commissions for services	700	700	1,100	400
Use of money and property	400	400	10,321	9,921
Other revenues	100	100	330	230
Amounts available for appropriations	2,467,453	2,467,453	2,760,107	292,654
Charges to appropriations (outflows)				
General government:				
Judicial	-	-	-	-
Elections	-	-	-	-
Finance and administration	-	-	-	-
Public safety	-	-	-	-
Public works	2,438,779	2,438,779	2,812,845	(374,066)
Debt service	-	-	-	-
Capital outlay	100,000	100,000	-	100,000
Total charges to appropriations	2,538,779	2,538,779	2,812,845	(274,066)
Budgetary Fund Balance - ending	2,612,303	2,612,303	2,630,891	18,588
Interfund transfer	-	-	(232,739)	(232,739)
GAAP Fund Balance - ending	\$ 2,612,303	\$ 2,612,303	\$ 2,398,152	\$ (214,151)

**MADISON PARISH POLICE JURY
COURTHOUSE AND JAIL
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 7,907,711	\$ 7,907,711	\$ 7,907,711	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	993,385	993,385	1,010,434	17,049
Intergovernmental revenues:				
Federal funds	12,350	12,350	12,221	(129)
State funds:				
Other state grants	-	-	17,107	17,107
Fees, charges, and commissions for services	-	-	-	-
Use of money and property	18,500	18,500	19,097	597
Other revenues	30,000	30,000	6,089	(23,911)
Amounts available for appropriations	1,054,235	1,054,235	1,064,948	10,713
Charges to appropriations (outflows)				
General government:				
Judicial	-	-	-	-
Elections	-	-	-	-
Finance and administration	125,446	125,446	122,034	3,412
Other general government	-	-	-	-
Public safety	1,618,296	1,618,296	1,465,919	152,377
Public works	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	21,000	21,000	-	21,000
Total charges to appropriations	1,764,742	1,764,742	1,587,953	176,789
Budgetary Fund Balance - ending	\$ 7,197,204	\$ 7,197,204	\$ 7,384,706	\$ 187,502

**MADISON PARISH POLICE JURY
AMERICAN RESCUE PLAN
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2022**

	Budgeted Amounts		Amounts	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
Budgetary Fund Balance - beginning	\$ 951,152	\$ 951,152	\$ 951,152	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	-	-	-	-
Intergovernmental revenues:				
Federal funds	-	-	996,052	996,052
State funds:				
State revenue sharing (net)	-	-	-	-
Use of money and property	-	-	-	-
Amounts available for appropriations	-	-	996,052	996,052
Charges to appropriations (outflows)				
General government:				
Finance and administration	-	-	-	-
Economic development and assistance	-	-	16,954	(16,954)
Public works	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Total charges to appropriations	-	-	16,954	(16,954)
Budgetary Fund Balance - ending	\$ 951,152	\$ 951,152	\$ 1,930,250	\$ 979,098

**MADISON PARISH POLICE JURY
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2022**

A. BUDGETS

General Budget Policies. Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be appropriated in the next year's budget to be expended.

For the year ended December 31, 2022, budgets were adopted for the general fund and for all special revenue funds, including the Criminal Court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

Appropriations lapse at year-end and must be appropriated for the following year to be expended. All changes in the budgets must be approved by the Board and the grantor agencies.

Formal budgetary integration is employed as a management control device during the year.

Encumbrances. Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when budgeted revenues within a fund are expected to exceed actual revenues by five percent or more and when actual expenditures exceed budgeted expenditures by five percent or more.

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**MADISON PARISH POLICE JURY
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2022 - continued**

B. Excess of Budgeted Revenues Over Actual Revenues in Individual Funds

The following funds had budgeted revenues greater than actual revenues for the year ended December 31, 2022.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variances</u>
Health Unit	\$ 279,767	\$ 274,642	\$ (5,125)

C. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds

The following funds had actual expenditures greater than budgeted expenditures for the year ended December 31, 2022.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 1,026,920	\$ 1,662,647	\$ (635,727)
Garbage Maintenance	879,627	972,898	(93,271)
Health Unit	157,739	173,653	(15,914)
Public Works	2,538,779	2,812,845	(274,066)
American Rescue Plan	-	16,954	(16,954)

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	13,998	14,893	10,815	11,088	9,956
Changes of benefits terms	-	-	-	-	-
Differences between expected and actual experience	(11,279)	(2,134)	59,002	(11,618)	36,781
Changes of assumptions	(22,178)	44,285	83,664	3,066	(72,781)
Benefit payments	(24,230)	(25,563)	(25,170)	(26,554)	(31,548)
Net change in total OPEB liability	(43,689)	31,481	128,311	(24,018)	(57,592)
Total OPEB liability - beginning	406,927	363,238	394,719	523,030	499,012
Total OPEB liability - ending	\$ 363,238	\$ 394,719	\$ 523,030	\$ 499,012	\$ 441,420
Covered-employee payroll	\$ 270,650	\$ 278,770	\$ 284,179	\$ 292,704	\$ 298,376
Net OPEB liability as a percentage of covered-employee payroll	134.21%	141.59%	184.05%	170.48%	147.94%
Notes to Schedule:					
<i>Benefit Changes</i>	None	None	None	None	None
<i>Changes of Assumptions:</i>					
<i>Discount Rate</i>	4.10%	2.74%	2.12%	2.06%	3.72%
<i>Mortality</i>	RP-2000	RP-2000	RP-2014	RP-2014	PubG.H-2010
<i>Trend</i>	5.5%	5.5%	4.5% to 5.5%	4.5% to 5.5%	Getzen Model

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

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
DECEMBER 31, 2022**

Fiscal Year*	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.338971%	\$ 92,678	\$ 1,922,942	4.48%	99.15%
2016	0.335608%	\$ 883,417	\$ 1,835,600	48.13%	92.23%
2017	0.305684%	\$ 629,560	\$ 1,798,356	35.01%	94.15%
2018	0.292171%	\$ (216,863)	\$ 1,857,231	(11.67%)	101.98%
2019	0.290264%	\$ 1,288,296	\$ 1,892,115	68.09%	88.86%
2020	0.316527%	\$ 14,900	\$ 1,961,033	0.76%	99.85%
2021	0.295862%	\$ (519,501)	\$ 1,905,203	(27.27%)	100.04%
2022	0.304648%	\$ 1,172,526	\$ 2,066,696	56.73%	91.74%

*- Amounts presented were determined as of the measurement date (previous fiscal year end).

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

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2022**

<u>Fiscal Year*</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relations to Contractual Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2015	\$ 278,827	\$ 278,827	\$ -	\$ 1,922,942	14.50%
2016	\$ 238,628	\$ 238,628	\$ -	\$ 1,835,600	13.00%
2017	\$ 224,795	\$ 224,795	\$ -	\$ 1,798,356	12.50%
2018	\$ 213,582	\$ 213,582	\$ -	\$ 1,857,231	11.50%
2019	\$ 217,593	\$ 217,593	\$ -	\$ 1,892,115	11.50%
2020	\$ 240,227	\$ 240,227	\$ -	\$ 1,961,033	12.25%
2021	\$ 245,637	\$ 245,637	\$ -	\$ 1,905,203	12.89%
2022	\$ 237,670	\$ 237,670	\$ -	\$ 2,066,696	11.50%

*-Amounts presented were determined as of the end of the fiscal year.

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

OTHER SUPPLEMENTARY INFORMATION

**MADISON PARISH POLICE JURY
NONMAJOR SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2022**

	Memorial	Grant Fund	Witness Fees	FEMA Disaster	Emergency Shelter Donation	Group Health Savings	Building Fund	Recreation Board	LCDBG	Total
Assets										
Cash and cash equivalents	\$ 10,210	\$ 39,922	\$ 24,988	\$ 6	\$ -	\$ 69,858	\$ 226,796	\$ 5,979	\$ 330	\$ 378,089
Receivables	-	-	1,470	-	-	-	-	-	-	1,470
Interfund Receivables	-	-	-	-	-	-	16,200	-	-	16,200
Total Assets	10,210	39,922	26,458	6	-	69,858	242,996	5,979	330	395,759
Liabilities and Fund Balances										
Liabilities:										
Accounts, salaries and other payables	-	-	-	-	-	58,635	-	-	-	58,635
Interfund payables	-	28,540	-	-	-	990	-	-	-	29,530
Total Liabilities	-	28,540	-	-	-	59,625	-	-	-	88,165
Fund Balances (Deficit):										
Restricted	10,210	11,382	26,458	6	-	10,233	242,996	5,979	330	307,594
Total Liabilities and Fund Balances	\$ 10,210	\$ 39,922	\$ 26,458	\$ 6	\$ -	\$ 69,858	\$ 242,996	\$ 5,979	\$ 330	\$ 395,759

**MADISON PARISH POLICE JURY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES/DEFICITS FOR THE YEAR ENDED DECEMBER 31, 2022**

	Memorial	Grant Fund	Witness Fees	FEMA Disaster	Emergency Shelter Donation	Group Health Insurance	Building Fund	Recreation Board	LCDBG	Total
Revenues										
Local sources:										
License and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,527	\$ -	\$ -	\$ 4,527
Intergovernmental revenues:										
Federal funds - federal grants	-	1,832	-	234,240	-	-	-	-	6,687	242,759
State funds:										
Other	-	15,085	-	-	-	-	-	-	-	15,085
Fees, charges, and commissions for services	-	-	23,695	-	-	-	-	-	-	23,695
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Use of money and property	12	-	235	-	-	272	960	76	-	1,555
Other revenues	-	1,174	-	-	-	-	200,083	-	-	201,257
Total Revenues	12	18,091	23,930	234,240	-	272	205,570	76	6,687	488,878
Expenditures										
Current:										
General government:										
Judicial	-	-	250	-	-	-	-	-	-	250
Finance and administrative	-	-	-	-	-	-	4,715	-	-	4,715
Public safety	-	-	-	247,565	-	-	-	-	-	247,565
Public works	-	177,193	-	-	-	-	-	-	-	177,193
Culture and recreation	-	-	-	-	-	-	-	-	13,487	13,487
Transportation	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	177,193	250	247,565	-	-	4,715	-	13,487	443,210
Excess (Deficiency) of Revenues Over Expenditures	12	(159,102)	23,680	(13,325)	-	272	200,855	76	(6,800)	45,668
Other Financing Sources (Uses)										
Transfers in	-	1,677	-	-	-	-	-	-	6,800	8,477
Transfers out	-	-	(10,364)	-	-	-	(379)	-	-	(10,743)
Total Other financing Sources (Uses)	-	1,677	(10,364)	-	-	-	(379)	-	6,800	(2,266)
Net Change in Fund Balances	12	(157,425)	13,316	(13,325)	-	272	200,476	76	-	43,402
Fund Balances - beginning	10,198	168,807	13,142	13,331	-	9,961	42,520	5,903	330	264,192
Fund Balances - ending	\$ 10,210	\$ 11,382	\$ 26,458	\$ 6	\$ -	\$ 10,233	\$ 242,996	\$ 5,979	\$ 330	\$ 307,594

MADISON PARISH POLICE JURY

GENERAL

COMPENSATION PAID POLICE JURORS. The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Madison Parish Police Jury members is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:1233.

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2022**

Jane Sanders, President	\$ 24,000
Dave Wilson III	19,200
Larry P. Walker	10,809
Johnny Hughes	19,200
Stanley Ogden	<u>6,458</u>
Total	<u>\$ 79,667</u>

**MADISON PARISH POLICE JURY
TALLULAH, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS,
REIMBURSEMENTS AND OTHER PAYMENTS TO AGENCY HEAD
DECEMBER 31, 2022**

Jane Sanders, President

Salary and expense amount	\$ 25,836
Conference - travel	<u>32</u>
 Total	 <u><u>\$ 25,868</u></u>

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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 the Police Jurors
Madison Parish Police Jury
Vicksburg, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Madison Parish Police Jury as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Madison Parish Police Jury's basic financial statements, and have issued our report thereon dated September 25, 2023.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. 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 are identified as 22-01 and 22-02 in the schedule of findings and questioned costs.

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.

The Halford Firm, PLLC

Vicksburg, Mississippi
September 25, 2023

**MADISON PARISH POLICE JURY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

SUMMARY OF AUDIT RESULTS

1. Type of auditor's report issued: Adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information.
2. Two instances of noncompliance material to the financial statements of the Madison Parish Police Jury were disclosed during the audit.
3. No significant deficiencies related to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

FINDINGS – FINANCIAL STATEMENTS AUDIT

22-01 Local Budget Act

Condition: The Police Jury had actual expenditures which exceeded budgeted expenditures greater than five percent in the General Fund, Garbage Maintenance Fund, Health Unit Fund, Public Works Fund, and American Rescue Plan Fund.

Criteria: According to LRS 39:1310, the Louisiana Local Government Budget Act requires budgets be amended if expected actual revenues are five percent less than budgeted revenues, or expected actual expenditures are five percent greater than budgeted expenditures.

Cause: The Police Jury underbudgeted expenditures in the General Fund, Garbage Maintenance Fund, Health Unit Fund, Public Works Fund, and American Rescue Plan Fund.

Effect: Noncompliance with the Louisiana Local Government Budget Act.

Recommendation: The Police Jury should monitor the budget closely and amend the budget as necessary in order to comply with the Local Government Budget Act.

Management's Response: The Police Jury concurs with the finding and will monitor and amend the budgets as necessary in the future.

22-02 Failure to File Audit Report Timely

Condition: The Police Jury did not submit the audit report for the year ended December 31, 2022 by the required reporting date.

Criteria: Louisiana Revised Statute 24:513 requires all audit engagements to be completed and transmitted to the Legislative Auditor within six months of the close of the fiscal year end.

Cause: The former Controller in charge of the accounting records retired in June, 2021. Her replacement was unable to fulfill the bookkeeping duties and unexpectedly resigned in February, 2022. Consequently, the records required for an accurate and timely audit were not available.

Effect: Noncompliance with Louisiana Revised Statute 24:513

-continued

**MADISON PARISH POLICE JURY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
FOR THE YEAR ENDED DECEMBER 31, 2022**

FINDINGS – FINANCIAL STATEMENTS AUDIT – continued

22-02 Failure to File Audit Report Timely - continued

Recommendation: The Police Jury should hire properly trained personnel who are able to maintain the records and ensure that the audit report is filed on a timely basis.

Management's Response: The former Controller has returned to the Police Jury to maintain the records until personnel are hired and adequately trained.

**MADISON PARISH POLICE JURY
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The following is a summary of the status of the prior year findings included in the auditor's report dated December 21, 2022, covering the examination of the financial statements of the Madison Parish Police Jury as of and for the year ended December 21, 2022.

21-01 Local Budget Act

Condition: The Police Jury had actual revenues less than budgeted revenues by more than five percent in the Courthouse and Jail Fund. The Police Jury had actual expenditures which exceeded budgeted expenditures by greater than five percent in the Library Fund.

Status: Although the Courthouse and Jail Fund and the Library Fund budgets for 2022 did not exceed budgeted revenues or expenditures, other funds violated the Louisiana Local Government Budget Act. Therefore, this finding is a repeat finding and is not resolved.

21-02 Failure to File Audit Report Timely

Condition: The Police Jury did not submit the audit report for the year ended December 31, 2021 by the required reporting date.

Status: This finding is a repeat finding and is not resolved.

**STATEWIDE
AGREED-UPON PROCEDURES**

THE HALFORD FIRM, PLLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of Madison Parish Police Jury
and the Louisiana Legislative Auditor,

We have performed the procedures enumerated below, which were agreed to by the Madison Parish Police Jury and the Louisiana Legislative Auditor (LLA), solely to assist the users in evaluating management's assertions about the Madison Parish Police Jury's compliance with certain laws and regulations during the fiscal year ended December 31, 2022, included in the Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures (SAUPs). The Madison Parish Police Jury's management is responsible for those control and compliance (C/C) areas identified in the SAUPs.

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 Governmental Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the 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 whether 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.
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving.

-continued

Written Policies and Procedures - continued

- 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).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 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.
- 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)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-11121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirements that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to non-profits.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

The Governing board met (with a quorum) at least two times each month of 2022.

-continued

Written Policies and Procedures – continued

Board or Finance Committee - continued

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Budget to actual was not discussed in full board meeting. Budgets were reviewed, approved, and amended in committee meeting and approved by Consent Agenda in regular board meeting.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

The General Fund did not have a negative ending fund balance in the prior year.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.

All tested reconciliations were prepared within 2 months of its related statement closing date.

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

Bank reconciliations do not have evidence that they were reviewed by anyone who does not handle cash.

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

None of the reconciliations reviewed had reconciling items that had been outstanding more than 12 months.

-continued

Written Policies and Procedures – continued

Collections (excluding EFTs)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

The Madison Parish Police Jury has only one collection site.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The above procedures were performed, and no exceptions were noted.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

The Policy covered all employees and for the year under review.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, systems report, and other related collection documentation to the deposit slip.

-continued

Written Policies and Procedures – continued

Collections- continued

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

The above procedures were preformed, and no exceptions were noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

All payments are processed in the Police Jury's main office in the Madison Parish Courthouse.

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee jobs duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The above procedures were performed, and no exceptions were noted.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

-continued

Written Policies and Procedures – continued

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)- continued

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

The above procedures were performed, and no exceptions were noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

The Police Jury does not use any credit cards but does have one debit card.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

The Madison Parish Police Jury does not use any credit cards (only a debit card), therefore there are not any monthly statements.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Since Police Jury does not use credit cards, they did not incur finance charges or late fees.

- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions, (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Since the Police Jury does not use credit cards, this procedure was not performed.

-continued

Written Policies and Procedures – continued

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate to no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov)
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

The above procedures were performed, and no exceptions were noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, lease, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

The above procedures were performed, and no exceptions were noted.

-continued

Written Policies and Procedures – continued

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

The above procedures were performed, and no exceptions were noted.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

-continued

Written Policies and Procedures – continued

Debit Service

The following procedures were not performed since the Police Jury's does not have any outstanding debts.

21. Obtain a listing of bond/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debts instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bond/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived assets funds, or other funds required by the debt covenants).

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

There was not any known misappropriation in the year under review.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

The notice was posted on the premises.

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 an 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 control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statue 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

The Halford Firm, PLLC

Vicksburg, Mississippi
September 25, 2023