

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
December 31, 2021**



Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

CONTENTS

	<u>Page(s)</u>
 <u>INDEPENDENT AUDITORS' REPORT</u>	
Independent Auditors' Report	1 – 4
 <u>REQUIRED SUPPLEMENTARY INFORMATION – PART I</u>	
Management's Discussion and Analysis	5 - 11
 <u>BASIC FINANCIAL STATEMENTS</u>	
Statement of Net Position	12
Statement of Activities	13
Balance Sheet - Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16 - 17
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	18
Statement of Net Position – Springfield Sewer	19
Statement of Revenues, Expenses, and Changes in Net Position- Springfield Sewer	20
Statement of Cash Flows - Springfield Sewer	21
Notes to the Financial Statements	22 - 50
 <u>REQUIRED SUPPLEMENTARY INFORMATION – PART II</u>	
General Fund – Budgetary Comparison Schedule	51
Sales Tax Fund – Budgetary Comparison Schedule	52
Ambulance Service Fund – Budgetary Comparison Schedule	53
Library Fund – Budgetary Comparison Schedule	54
Unit 1 Road Fund – Budgetary Comparison Schedule	55
Public Facilities Maintenance Fund – Budgetary Comparison Schedule	56
Road Emergency Fund – Budgetary Comparison Schedule	57
Notes to the Budgetary Comparison Schedules	58
Schedules of Changes in Total Other Post-Employment Benefit Liability and Related Ratios	59
Schedule of Proportionate Share of the Net Pension Liability – Cost-Sharing Plans	60
Schedule of Contributions to Each Retirement System – Cost-Sharing Plans	61
Notes to the Required Supplementary Information	62
 <u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Compensation Paid to Police Jurors	63
Schedule of Compensation Paid to Head of Police Jury	64
Justice System Funding Schedule – Receiving Entity as Required by Act 87 of the 2020 Regular Legislative Session - Cash Basis Presentation	65

CONTENTS (continued)

Page(s)

OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	66 - 67
Schedule of Findings and Recommendations	68
Summary Schedule of Prior Year Audit Findings	69



INDEPENDENT AUDITORS’ REPORT

Red River Parish Police Jury
Coushatta, Louisiana

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Police Jury’s basic financial as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Governmental Fund – General Fund	Unmodified
Governmental Fund – Sales Tax Fund	Unmodified
Governmental Fund – Ambulance Service Fund	Unmodified
Governmental Fund – Library Fund	Unmodified
Governmental Fund – Unit 1 Road Fund	Unmodified
Governmental Fund – Public Facilities Maintenance Fund	Unmodified
Governmental Fund – Road Emergency Fund	Unmodified
Enterprise Fund – Springfield Sewer	Unmodified
Aggregate Remaining Fund Information	Unmodified

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 financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 2021, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Police Jury as of December 31, 2021, 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 and the standards applicable to financial audits contained in *Governmental 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 the Financial Statements section of our report. We are required to be independent of the Police Jury and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating 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 Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The effects of not including the Police Jury's legally separate component units on the aggregate discretely presented component units have not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the 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.

Auditors' 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 *Governmental 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 for 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 substantial likelihood that, individually or in the 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 *Governmental 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 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 Police Jurys'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 5 to 11, the Budgetary Comparison Schedules on pages 51 to 58, the Schedule of Changes in Total Other Post-Employment Benefit Liability and Related Ratios on page 59, the Schedule of Proportionate Share of the Net Pension Liability – Cost-Sharing Plans on page 60, the Schedule of Contributions to Each Retirement System– Cost-Sharing Plans on page 61 and the notes to required supplementary information on page 62, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The Schedule of Compensation Paid to Police Jurors, the Schedule of Compensation Paid to Head of Police Jury, and the Justice System Funding Schedule – Receiving Entity as Required by Act 87 of the 202 Regular Legislative Session – Cash Basis Presentation are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 based on our audit, the procedures performed as described above, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 9, 2022 on our consideration of the Red River Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Red River Parish Police Jury's internal control over financial reporting and compliance.

Postlethwaite & Netterville

Baton Rouge, Louisiana
September 9, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

As financial management of the Red River Parish Police Jury (Police Jury) we offer readers of these financial statements an overview and analysis of the Police Jury's financial activities. This narrative is designed to assist readers in focusing on significant financial issues, identify changes in financial position, identify material deviations from approved budget documents (if any), and identify individual fund issues or concerns.

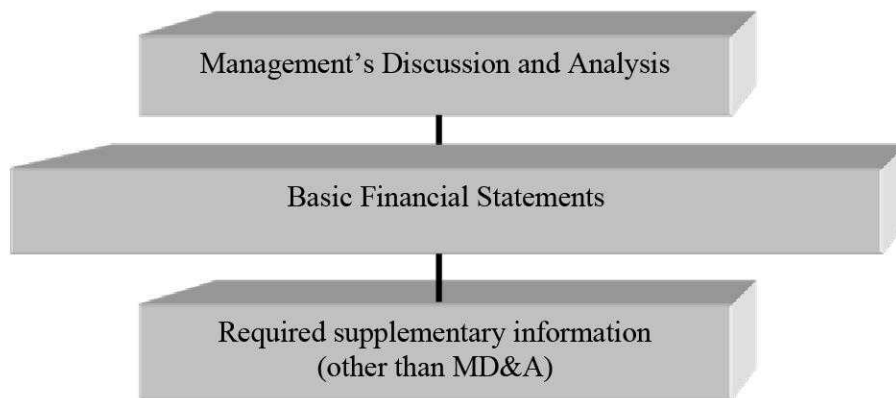
Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

- ★ Assets and deferred outflows of resources of the Police Jury's governmental activities exceeded its liabilities and deferred inflows of resources on December 31, 2021 by approximately \$70 million (net position). Of this amount, approximately \$36 million (unrestricted net position) may be used to meet ongoing obligations to our creditors.
- ★ Net position of the governmental activities increased by approximately \$3.5 million.
- ★ As of December 31, 2021, the governmental funds reported combined ending fund balances of approximately \$61 million, an increase of approximately \$4.3 million in comparison with the prior year. Approximately 26.2% of this total amount, \$16 million is available for spending at the Police Jury's discretion (unassigned fund balance of the General Fund).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Primary Governments established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Government-wide financial statements. The *government-wide financial statements* are designed to be similar to private sector business in that all governmental and business-type activities are consolidated into separate columns which add to a total for the primary government. The governmental activities' statements combine the Governmental Funds' current financial resources with capital assets and long-term obligations. The Police Jury charges a fee to customers to help it cover the costs of certain services it provides for the operations of the Springville Community. The Springville Community sewer system is reported as the only business-type activity of the Police Jury.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The *statement of net position* presents information on all of the Police Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as *net position*. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The *statement of activities* presents information showing how the Police Jury's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused vacation leave). The focus of the *statement of activities* is on both the gross and net cost of various activities which are provided by the Police Jury's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various Police Jury services and/or subsidies to various activities.

Governmental activities reflect those programs provided by the Police Jury to the public that are generally supported through tax dollars such as general administration, public safety, public works, recreation and culture, etc.

Fund financial statements. A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statement presentation more familiar.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the budget is developed based on the generally accepted accounting principles (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Police Jury has presented the General Fund, Sales Tax, Ambulance Service, Library, Unit 1 Road, Public Facilities Maintenance Funds, and the Road Emergency Fund as major funds.

Proprietary funds. *Proprietary funds* consist of an enterprise fund which is an accounting device used to account for charges for sewer services and the associated costs for operations of the sewer system for the Springville Community.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes are a required part of the basic financial statements.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

FINANCIAL ANALYSIS OF THE ENTITY

Condensed Statements of Net Position
For the Years Ended December 31, 2021 and 2020

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
Assets				
Current and other assets	\$ 62,790,029	\$ 57,618,605	\$ 93,033	\$ 77,622
Capital assets, net	9,825,984	10,381,779	210,886	252,475
Total assets	72,616,013	68,000,384	303,919	330,097
Deferred outflows of resources	876,279	728,209	-	-
Liabilities				
Current liabilities	1,391,027	556,035	1,071	1,267
Long-term liabilities	1,229,468	1,326,037	-	-
Total liabilities	2,620,495	1,882,072	1,071	1,267
Deferred inflows of resources	1,125,767	603,279	-	-
Net position				
Net investment in capital assets	9,401,340	10,381,779	210,886	252,475
Restricted	24,172,497	21,980,479	-	-
Unrestricted	36,172,193	33,880,984	91,962	76,355
Total net position	\$ 69,746,030	\$ 66,243,242	\$ 302,848	\$ 328,830

- Approximately 13% of the Police Jury's governmental activities net position and 70% of the Police Jury's business-type activities as of December 31, 2021 reflects investments in capital assets (land, buildings, infrastructure, machinery, and equipment). The Police Jury uses these assets to provide services to the public consequently these assets are not available for future spending.
- Another 35% of the Police Jury's governmental activities net position is subject to external restrictions.
- Another 52% of governmental activities net position is unrestricted, and may be used to meet ongoing obligations of the Police Jury to citizens and creditors.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Condensed Statements of Activities
For the Years Ended December 31, 2021 and 2020

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
Revenues				
Program revenues				
Charges for services	\$ 737,679	\$ 654,801	\$ 23,227	\$ 25,658
Operating and Capital grants and contributions	694,523	562,175	-	-
General revenues				
Ad Valorem taxes	3,855,143	3,598,485	-	-
Sales and use taxes	4,341,530	3,175,045	-	-
Severance tax	1,215,820	1,223,494	-	-
Other tax	559,330	423,119	-	-
Other general revenues	676,577	1,743,387	50,000	50,000
	<u>12,080,602</u>	<u>11,380,506</u>	<u>73,227</u>	<u>75,658</u>
Expenses				
General government	2,235,302	1,824,251	-	-
Public safety	1,853,194	1,482,085	-	-
Public works	3,152,612	3,178,940	-	-
Health and welfare	652,880	438,922	-	-
Recreation and culture	683,826	783,704	-	-
Sewer	-	-	99,209	165,868
	<u>8,577,814</u>	<u>7,707,902</u>	<u>99,209</u>	<u>165,868</u>
Changes in net position	<u>\$ 3,502,788</u>	<u>\$ 3,672,604</u>	<u>\$ (25,982)</u>	<u>\$ (90,210)</u>
Net position, beginning of year	66,243,242	62,570,638	328,830	419,040
Net position, end of year	<u>\$ 69,746,030</u>	<u>\$ 66,243,242</u>	<u>\$ 302,848</u>	<u>\$ 328,830</u>

The Police Jury's revenues are comprised primarily of tax revenue (property, sales and severance) as well as fees for services and operating grants. Property taxes and severance taxes remained consistent. Sales and use taxes increased due to normal swings in market activity. The Police Jury's expenses, overall, remained relatively consistent.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

FINANCIAL ANALYSIS OF THE POLICE JURY'S FUNDS

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

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

The general fund is the chief operating fund of the Police Jury. At the end of the current fiscal year, unassigned fund balance of the general fund was approximately \$16 million. Total fund balance of the General Fund increased approximately \$1.2 million during 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Police Jury's capital assets as of December 31, 2021, total \$9.6 million (net of accumulated depreciation) in Governmental Activities and Business-Type Activities. These assets are invested in a broad range of capital assets (see table below). These amounts represent a net decrease (including additions, prior period restatements, and retirements) of approximately 9.6% from the previous year. The major additions include the purchase of land for the Library fund and street improvements.

Capital Assets at Year End
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 538,714	\$ 497,849	\$ -	\$ -
Buildings and building improvements	3,042,490	3,369,590	-	-
Streets, parking lots, and other improvements	5,117,499	5,610,811	-	-
Sewer system	-	-	210,886	252,475
Furniture, equipment, and vehicles	593,390	790,361	-	-
Books and informational materials	109,247	113,168	-	-
Total	<u>\$ 9,401,340</u>	<u>\$ 10,381,779</u>	<u>\$ 210,886</u>	<u>\$ 252,475</u>

Following is the cost of certain additions for the Red River Parish Police Jury during the year ended December 31, 2021:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 40,865	\$ -
Buildings and building improvements	27,573	-
Streets, parking lots, and other improvements	930,091	3,066
Furniture, equipment, and vehicles	67,826	-
Books and informational materials	18,048	-
Total	<u>\$ 1,084,403</u>	<u>\$ 3,066</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

COMPENSATED ABSENCES

The Red River Parish Police Jury had \$67,780 in compensated absences for Governmental Activities, outstanding at year-end compared to \$72,473 at the previous year-end, a decrease of \$4,693 or 6.5%.

Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
Compensated absences payable	\$ 67,780	\$ 72,473	\$ -	\$ -
Total	\$ 67,780	\$ 72,473	\$ -	\$ -

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Police Jury amended its budget primarily to reflect changes in estimated severance tax revenues and parish road royalty revenues. An analysis of the original budgets compared to final amended budget results are as follows:

Original and Final Amended Budget Comparison - General Fund

	Original Budget	Final Amended Budget	Difference
Revenue and other			
financing sources	\$ 2,745,300	\$ 3,205,494	\$ 460,194
Expenditures and other			
financing uses	(1,876,205)	(2,172,580)	(296,375)
Net revenues	\$ 869,095	\$ 1,032,914	\$ 163,819

Actual revenues were more than final budgeted revenues primarily due to the severance tax collections being more than anticipated. A comparison of the actual results to the final amended budget is reflected on the next page:

Final Amended Budget and Actual Results Comparison - General Fund

	Final Amended Budget	Actual Results (Budgetary Basis)	Difference
Revenue and other			
financing sources	\$ 3,205,494	\$ 3,339,434	\$ 133,940
Expenditures and other			
financing uses	(2,172,580)	(2,080,512)	92,068
Net revenues	\$ 1,032,914	\$ 1,258,922	\$ 226,008

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Red River Parish Police Jury's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) Fees, charges, and commissions for services
- 3) Inter-Governmental revenues (federal and state grants)

The Red River Parish Police Jury does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISH POLICE JURY'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Red River Parish Police Jury's finances and to show the Red River Parish Police Jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jessie Davis, Red River Parish Police Jury Manager, Post Office Drawer 709, Coushatta, Louisiana 71019.

BASIC FINANCIAL STATEMENTS

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION
December 31, 2021

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current assets			
Cash and cash equivalents	\$ 33,709,708	\$ 91,221	\$ 33,800,929
Investments	24,293,626	-	24,293,626
Receivables	4,763,419	1,812	4,765,231
Prepaid expense	23,276	-	23,276
Total current assets	62,790,029	93,033	62,883,062
Noncurrent assets			
Net Pension Asset	424,644	-	424,644
Capital assets, net of accumulated depreciation	9,401,340	210,886	9,612,226
Total noncurrent assets	9,825,984	210,886	10,036,870
Total assets	72,616,013	303,919	72,919,932
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>			
	876,279	-	876,279
 <u>LIABILITIES</u>			
Current liabilities			
Accounts payable and accrued liabilities	463,084	1,071	464,155
Compensated absences payable - current	67,780	-	67,780
Other post-employment benefits payable - current	40,283	-	40,283
Unearned revenue	819,880	-	819,880
Total current liabilities	1,391,027	1,071	1,392,098
Noncurrent liabilities			
Compensated absences payable, net of current portion	-	-	-
Net pension liability	29,783	-	29,783
Other post-employment benefits payable - noncurrent	1,199,685	-	1,199,685
Total noncurrent liabilities	1,229,468	-	1,229,468
Total liabilities	2,620,495	1,071	2,621,566
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
	1,125,767	-	1,125,767
 <u>NET POSITION</u>			
Net investment in capital assets	9,401,340	210,886	9,612,226
Restricted for:			
Sales tax dedicated for the maintenance of ambulances, the costs to provide services, and tourism	6,623,190	-	6,623,190
Dedicated property taxes for library services	11,860,251	-	11,860,251
Dedicated property taxes for health unit services and construction	4,548,553	-	4,548,553
External legal constraints for juror and witness compensation	245,268	-	245,268
External legal constraints for federal and state grant programs	470,591	-	470,591
Net pension asset related to defined benefit plans	424,644	-	424,644
Unrestricted	36,172,193	91,962	36,264,155
Total net position	\$ 69,746,030	\$ 302,848	\$ 70,048,878

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Expenses	Program Revenues			Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<u>Primary Government</u>							
Governmental Activities:							
General government	\$ 2,235,302	\$ 227,562	\$ 558,619	\$ -	\$ (1,449,121)	\$ -	\$ (1,449,121)
Public safety	1,852,768	445,026	-	-	(1,407,742)	-	(1,407,742)
Public works	3,157,646	64,515	-	135,904	(2,957,227)	-	(2,957,227)
Health and welfare	652,880	-	-	-	(652,880)	-	(652,880)
Recreation and culture	679,218	576	-	-	(678,642)	-	(678,642)
Total Governmental Activities	<u>8,577,814</u>	<u>737,679</u>	<u>558,619</u>	<u>135,904</u>	<u>(7,145,612)</u>	<u>-</u>	<u>(7,145,612)</u>
Business-Type Activities:							
Sewer	99,209	23,227	-	-	-	(75,982)	(75,982)
Total Business-Type Activities	<u>99,209</u>	<u>23,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,982)</u>	<u>(75,982)</u>
Total Primary Government	<u>\$ 8,677,023</u>	<u>\$ 760,906</u>	<u>\$ 558,619</u>	<u>\$ 135,904</u>	<u>(7,145,612)</u>	<u>(75,982)</u>	<u>(7,221,594)</u>
General Revenues							
Taxes:							
Ad valorem taxes					3,855,143	-	3,855,143
Sales and use taxes					4,341,530	-	4,341,530
Severance taxes					1,215,820	-	1,215,820
Other					559,330	-	559,330
License and permits					381,265	-	381,265
Gaming revenues					3,543	-	3,543
Contributions and grants not restricted					91,170	-	91,170
Interest and investment income					(116,143)	-	(116,143)
Loss on disposal of assets					-	-	-
Miscellaneous					366,742	-	366,742
Transfers (to) from other funds					(50,000)	50,000	-
Total General Revenues and Transfers					<u>10,648,400</u>	<u>50,000</u>	<u>10,698,400</u>
Change in Net Position					3,502,788	(25,982)	3,476,806
Net Position, Beginning of Year					<u>66,243,242</u>	<u>328,830</u>	<u>66,572,072</u>
Net Position, End of Year					<u>\$ 69,746,030</u>	<u>\$ 302,848</u>	<u>\$ 70,048,878</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2021

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit 1 Road Fund	Public Facilities Maintenance Fund	Road Emergency Fund	Other non-major Governmental Funds	Total
ASSETS									
Cash	\$ 8,602,826	\$ 7,027,308	\$ 3,950,850	\$ 6,900,173	\$ 777,837	\$ 1,368,870	\$ 368,380	\$ 4,713,464	\$ 33,709,708
Investments	7,259,004	4,686,236	6,605,987	3,418,302	-	2,079,010	-	245,087	24,293,626
Receivables	1,235,394	286,762	232,093	1,722,109	23,398	742,649	794	520,220	4,763,419
Due from other funds	33,410	-	-	-	-	-	-	-	33,410
Prepaid expenses	4,310	-	9,755	2,386	1,807	5,018	-	-	23,276
TOTAL ASSETS	\$ 17,134,944	\$ 12,000,306	\$ 10,798,685	\$ 12,042,970	\$ 803,042	\$ 4,195,547	\$ 369,174	\$ 5,478,771	\$ 62,823,439
LIABILITIES									
Accounts payable and accrued expenses	\$ 229,738	\$ 22	\$ 27,965	\$ 65,717	\$ 58,090	\$ 45,113	-	\$ 36,439	\$ 463,084
Due to other funds	-	-	-	-	-	-	-	33,410	33,410
Unearned Revenue	819,880	-	-	-	-	-	-	-	819,880
TOTAL LIABILITIES	1,049,618	22	27,965	65,717	58,090	45,113	-	69,849	1,316,374
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - property taxes	55,742	-	-	114,616	-	48,587	-	46,888	265,833
FUND BALANCES:									
Nonspendable:									
Prepaid Expenses	4,310	-	9,755	2,386	1,807	5,018	-	-	23,276
Spendable:									
Restricted:									
Dedicated property taxes	-	-	-	11,860,251	-	-	-	4,548,553	16,408,804
Dedicated sales taxes	-	-	6,623,190	-	-	-	-	-	6,623,190
Court fees for juror and witness compensation	-	-	-	-	-	-	-	245,268	245,268
Federal and state grant programs	-	-	-	-	-	-	-	470,591	470,591
Committed:									
Criminal court costs	-	-	-	-	-	-	-	(12,434)	(12,434)
Ambulance services	-	-	4,137,775	-	-	-	-	-	4,137,775
Road maintenance and improvements	-	-	-	-	743,145	-	-	-	743,145
Public facilities maintenance	-	-	-	-	-	4,096,829	369,174	-	4,466,003
Buildings and infrastructure	-	12,000,284	-	-	-	-	-	-	12,000,284
Tourism	-	-	-	-	-	-	-	110,056	110,056
Unassigned	16,025,274	-	-	-	-	-	-	-	16,025,274
TOTAL FUND BALANCES	16,029,584	12,000,284	10,770,720	11,862,637	744,952	4,101,847	369,174	5,362,034	61,241,232
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 17,134,944	\$ 12,000,306	\$ 10,798,685	\$ 12,042,970	\$ 803,042	\$ 4,195,547	\$ 369,174	\$ 5,478,771	\$ 62,823,439

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total Fund Balances at December 31, 2021 - Governmental Funds		\$ 61,241,232
<p>Amounts reported for governmental activities in the statement of net position are different due to the following:</p>		
Cost of capital assets at December 31, 2021	\$ 33,575,580	
Less: Accumulated Depreciation as of December 31, 2021	<u>(24,174,240)</u>	9,401,340
Deferred outflows at December 31, 2021 (related to pension)		589,733
Deferred inflows at December 31, 2021 (related to post-employment benefit)		286,546
Deferred inflows at December 31, 2021 (related to pension)		(1,014,069)
Deferred inflows at December 31, 2021 (related to post-employment benefit)		(111,698)
Deferred inflows at December 31, 2021 (property tax not available for accrual in fund financial statements)		265,833
Long-term liabilities at December 31, 2021:		
Compensated absences payable	\$ (67,780)	
Net pension asset	424,644	
Net pension liability	(29,783)	
Total post-employment benefits payable	<u>(1,239,968)</u>	<u>(912,887)</u>
Total net position at December 31, 2021 - Governmental Activities		<u>\$ 69,746,030</u>

The accompanying notes are an integral part of this statement.

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA**

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Sales Tax Fund	Ambulance Service Fund	Library Fund	Unit 1 Road Fund	Public Facilities Maintenance Fund	Road Emergency Fund	Other non-major Governmental Funds	Total
REVENUES									
Local sources:									
Taxes									
Ad valorem taxes	\$ 859,448	\$ -	\$ -	\$ 1,712,956	\$ -	\$ 726,156	\$ -	\$ 484,106	\$ 3,782,666
Sales and use taxes	-	2,876,354	1,438,058	-	-	-	-	27,118	4,341,530
Severance taxes	1,215,820	-	-	-	-	-	-	-	1,215,820
Royalties	559,330	-	-	-	-	-	-	-	559,330
License and permits	86,944	-	-	-	293,741	580	-	-	381,265
Gaming revenues	-	-	-	-	-	-	3,543	-	3,543
Fees, charges, and commissions for services	-	-	445,026	576	22,515	42,000	-	227,562	737,679
State sources:									
Parish transportation fund	-	-	-	-	135,904	-	-	-	135,904
State revenue sharing	15,091	-	-	17,435	-	10,636	-	7,097	50,259
Other	42,206	-	-	-	-	-	-	93,912	136,118
Federal grants	156,067	-	-	47,065	-	-	-	219,369	422,501
Interest and investment income (loss)	(90,673)	(14,049)	(64,498)	37,601	-	14,655	-	821	(116,143)
Miscellaneous	110,880	-	38,935	-	15,346	-	144,013	57,568	366,742
TOTAL REVENUES	2,955,113	2,862,305	1,857,521	1,815,633	467,506	794,027	147,556	1,117,553	12,017,214
EXPENDITURES									
Current:									
General government	1,054,847	19,676	-	-	-	-	-	588,609	1,663,132
Public safety	131,095	-	1,246,574	-	-	-	-	79,528	1,457,197
Public works	-	-	-	-	1,933,115	469,486	-	71,412	2,474,013
Health and welfare	240,806	-	-	-	-	-	-	256,979	497,785
Recreation and culture	-	-	-	500,861	-	-	-	28,514	529,375
Capital outlay	6,764	-	49,811	66,882	45,179	4,455	890,912	20,400	1,084,403
TOTAL EXPENDITURES	1,433,512	19,676	1,296,385	567,743	1,978,294	473,941	890,912	1,045,442	7,705,905
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,521,601	\$ 2,842,629	\$ 561,136	\$ 1,247,890	\$ (1,510,788)	\$ 320,086	\$ (743,356)	\$ 72,111	\$ 4,311,309

(continued)

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Ambulance Service Fund</u>	<u>Library Fund</u>	<u>Unit 1 Road Fund</u>	<u>Public Facilities Maintenance Fund</u>	<u>Road Emergency Fund</u>	<u>Other non-major Governmental Funds</u>	<u>Total</u>
<u>OTHER FINANCING SOURCES (USES)</u>									
Transfers in	\$ 366,731	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 50,000	\$ -	\$ 513,590	\$ 2,430,321
Transfers out	(647,000)	(1,800,000)	-	(4,000)	-	-	-	(29,321)	(2,480,321)
TOTAL OTHER FINANCING SOURCES (USES)	(280,269)	(1,800,000)	-	(4,000)	1,500,000	50,000	-	484,269	(50,000)
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	1,241,332	1,042,629	561,136	1,243,890	(10,788)	370,086	(743,356)	556,380	4,261,309
Fund Balances, beginning of year	<u>\$ 14,788,252</u>	<u>\$ 10,957,655</u>	<u>\$ 10,209,584</u>	<u>\$ 10,618,747</u>	<u>\$ 755,740</u>	<u>\$ 3,731,761</u>	<u>\$ 1,112,530</u>	<u>\$ 4,805,654</u>	<u>\$ 56,979,923</u>
Fund Balances, end of year	<u>\$ 16,029,584</u>	<u>\$ 12,000,284</u>	<u>\$ 10,770,720</u>	<u>\$ 11,862,637</u>	<u>\$ 744,952</u>	<u>\$ 4,101,847</u>	<u>\$ 369,174</u>	<u>\$ 5,362,034</u>	<u>\$ 61,241,232</u>

(concluded)

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Excess of Revenues and Other Financing Uses over Expenses and Other Financing Sources - Total Governmental Funds		\$ 4,261,309
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 1,084,403	
Depreciation expense for year ended December 31, 2021	<u>(2,064,842)</u>	(980,439)
Change in deferred outflows (net pension liability)		173,135
Change in deferred inflows (property tax not available)		72,477
Change in deferred inflows (net pension liability)		(505,900)
Change in deferred inflows (OPEB)		(16,588)
Change in deferred outflows (OPEB)		(25,065)
Change in total post-employment benefit obligation		(4,378)
Change in net pension liability		523,544
Change in compensated absences payable		<u>4,693</u>
Change in Net Position - Governmental Activities		<u>\$ 3,502,788</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION -
SPRINGFIELD SEWER

DECEMBER 31, 2021

ASSETS

Current Assets:

Cash and cash equivalents	\$ 91,221
Accounts receivable	<u>1,812</u>
TOTAL CURRENT ASSETS	93,033

Noncurrent Assets:

Capital assets, net	<u>210,886</u>
TOTAL ASSETS	<u>303,919</u>

DEFERRED OUTFLOWS OF RESOURCES

-

LIABILITIES

Accounts payable and accruals	<u>1,071</u>
TOTAL CURRENT LIABILITIES	<u>1,071</u>

DEFERRED INFLOWS OF RESOURCES

-

NET POSITION

Net investment in capital assets	210,886
Unrestricted	<u>91,962</u>
TOTAL NET POSITION	<u>\$ 302,848</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
SPRINGFIELD SEWER

FOR THE YEAR ENDED DECEMBER 31, 2021

OPERATING REVENUES

Charges for services	\$ 23,227
Total operating revenues	<u>23,227</u>

OPERATING EXPENSES

Depreciation	44,655
Insurance	217
Legal and professional	4,545
Office expense	1,254
Repairs and maintenance	39,418
Utilities	9,120
Total operating expenses	<u>99,209</u>

Operating loss	<u>(75,982)</u>
Total non-operating revenues	<u>-</u>

LOSS BEFORE CONTRIBUTIONS AND TRANSFERS (75,982)

TRANSFERS IN 50,000

CHANGE IN NET POSITION (25,982)

NET POSITION, BEGINNING OF YEAR 328,830

NET POSITION, END OF YEAR \$ 302,848

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

STATEMENT OF CASH FLOWS
SPRINGFIELD SEWER

FOR THE YEAR ENDED DECEMBER 31, 2021

Cash flows from operating activities:	
Receipts from customers	\$ 23,242
Cash payments to suppliers for goods and services	<u>(54,750)</u>
Net cash used in operating activities	<u>(31,508)</u>
Cash flows from capital financing activities:	
Purchase of fixed assets	<u>(3,066)</u>
Net cash used in capital financing activities	<u>(3,066)</u>
Other revenue	-
Transfers	<u>50,000</u>
Net cash provided by noncapital financing activities	<u>50,000</u>
Net decrease in cash and cash equivalents	15,426
Cash and cash equivalents, beginning of year	<u>75,795</u>
Cash and cash equivalents, end of year	<u>\$ 91,221</u>
Reconciliation of operating income to net cash used in operating activities:	
Operating loss	\$ (75,982)
Adjustments to reconcile operating loss to net cash from operating activities	
Depreciation expense	44,655
Increase in accounts receivable	15
Increase in accounts payable and accruals	<u>\$ (196)</u>
Net cash used in operating activities	<u>\$ (31,508)</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

The Red River Parish Police Jury (Police Jury) is the governing authority for Red River Parish and is a political subdivision of the State of Louisiana. The Police Jury, under the provisions of Louisiana Revised Statutes 33:1236-1244, enacts ordinances, sets policy, and establishes programs for public safety, public works, health and welfare, recreation and culture, economic development, and general administrative services. The Police Jury is governed by seven jurors representing the various districts of Red River Parish. The jurors serve four-year terms.

Financial Reporting Entity

The financial reporting entity generally consists of the primary government, organizations for which the primary government is financially accountable and a financial benefit/burden relationship exists, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entities financial statements to be misleading or incomplete. Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining which component units should be included within the reporting entity. Under these provisions the basic criteria are as follows:

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

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity: a) Red River Parish Fire Protection District, b) Red River Parish Tax Assessor, c) Red River Parish Clerk of Court, d) the 39th Judicial District – District Attorney, and e) Red River Parish Communications District.

The Police Jury has chosen to issue financial statements of the primary government only, which exclude the above listed component units.

These financial statements include all funds and organizations considered to be part of the primary government.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

The Police Jury's basic financial statements consist of government-wide statements on all of the non-fiduciary activities of the primary government and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. Both the entity-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the enterprise funds to other various functions of government for charges of fees and contributions between the primary government which are reported as external transactions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes, severance taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of the special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishment, long-term proceeds, etc.) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

Fund Financial Statements

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Police Jury reports the following governmental and proprietary funds:

Governmental Funds

Governmental funds account for all or most of the Police Jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

General Fund - is the general operating fund of the Police Jury and is considered to be a major fund. It is used to account for all financial resources except those required to be accounted for in any other fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Police Jury are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements (continued)

Governmental Funds (continued)

Special Revenue Funds - are used to account for the proceeds of specific revenue sources other than special assessments, or major capital projects that are legally restricted to expenditures for specific purposes. The Police Jury's major special revenue funds reported in the fund financial statements are as follows:

The Sales Tax Fund which is the fund used to collect sales tax revenue and pay the collection expense regarding sales tax.

The Red River Parish Ambulance Service Fund which is used to fund the operations and maintenance of the parish ambulance district.

The Library Fund accounts to fund the operations and maintenance of the Red River Parish Library.

The Unit 1 Road Fund which is used to pay for the operations and the maintenance of the parish roads.

The Public Facilities Maintenance Fund which is used to pay for the operation and maintenance of the parish airport.

The Road Emergency Fund which is used to pay for road repairs and construction of roads in the parish.

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The Springville Sewer Fund is reported as a major proprietary fund and accounts for the provision of sewer services and sewer treatment services to the residents of the Springville Community. All activities necessary to provide such services are accounted for in this fund.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Police Jury prepares and adopts a budget each year for its general and special revenue funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the budgetary basis of accounting. The budgetary basis of accounting is the modified accrual basis used for the fund financials with the exception of Ad valorem tax revenue. The budgetary basis estimates Ad valorem taxes based on total amounts collectible as opposed to using the "available and measurable" criteria. The Police Jury amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

Cash and Cash Equivalents

Cash and cash equivalents for the primary government include the cash for each individual fund's share of the consolidated operating cash account.

A single consolidated operating bank account has been established in a local bank into which monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited into the consolidated bank account. The purpose of this consolidation is to reduce administrative costs and provide a single cash balance available for the maximization of investment earnings. Each fund shares in the investment earnings according to its average cash and investments balance, prorated between funds. Cash is transferred from those funds with available cash resources to cover any negative cash balances in other funds at year-end.

Investments

Investments are limited by 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.

Accounts Receivable and Bad Debt

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Uncollectible amounts due for receivables are recognized as bad debts directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. In governmental fund types, the uncollectible amount is charged directly to the revenue reported. On the other hand, in proprietary fund types, uncollectible amounts due from utility billings are recognized as bad debts through the use of an allowance account or are directly charged off at the time information becomes available which indicates that the particular receivable is not collectible.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Capital Assets

Capital assets are carried at historical cost. Depreciation of all exhaustible capital assets used by the Police Jury is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

Compensated Absences

Full-time employees of the Police Jury earn annual leave at various rates depending on the number of years in service. The maximum amount of annual leave that may be carried forward by each employee is 200 hours, except for library personnel who can carry forward 24 hours. Upon termination, an employee is compensated for up to 200 hours, 24 hours for library personnel, of unused prior annual leave plus any unused current annual leave at the employee's hourly rate of pay at the time of termination.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide statement of net position and in the proprietary fund types' financial statements, long-term debt is reported as a liability. The long-term debt consists primarily of accrued compensated absences, other post-employment benefits payable, and pension liabilities payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. Instead the debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary fund debt is the same in the fund statements as it is in the government-wide statements.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets plus any unspent proceeds from such borrowings.
2. Restricted net position - net position with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation.
3. Unrestricted - all other net position is reported in this category.

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

Fund Equity

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components:

1. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted - amounts constrained to specific purposes by either a) creditors, grantors, contributors, or the laws or regulations of other governments, or b) constitutional provisions or enabling legislation.
3. Committed - amounts constrained to specific purposes by the governmental entity at its highest level of decision-making authority. These amounts cannot be used for any other purposes unless the government takes the same highest level action to remove or change the constraint.
4. Assigned - amounts that do not meet the criteria to be classified as restricted or committed that are intended to be used for specific purposes as established by the Police Jury or its management to which the Police Jury has delegated the authority to assign amounts for specific purposes.
5. Unassigned - all other spendable amounts.

The Police Jury establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution.

The Police Jury typically uses restricted fund balances first, followed by committed, assigned and unassigned funds when an expenditure is incurred for purposes for which amounts in any of these fund balance classifications could be used.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sales Taxes

The Police Jury collects a one percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to the construction, operation, and maintenance of a parish jail facility, with any surplus proceeds to be used for capital outlay, operation, and maintenance costs associated with the parish highway system, and other parish owned building and properties.

The Police Jury collects a one-half of one percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to the construction, operation, and maintenance of a parish ambulance service.

Property Taxes

Property taxes are considered measurable each year following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission. Accordingly, the entire tax roll less an estimate for uncollectable taxes is recorded as taxes receivable in the current budgeted year. Uncollectable taxes are those taxes which based on past experience will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll.

At the governmental fund level, property taxes that are measurable and available (receivable within the current period and collected within the current period or within 60 days thereafter to be used to pay liabilities of the current period) are recognized as revenue in the year of levy. Property taxes that are measurable, but not available, are recorded, net of estimated uncollectable amounts, as deferred inflows of resources in the year of levy. Such unavailable revenues are recognized as revenue in the fiscal year in which they become available.

Estimates

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

Pension Plans

The Red River Parish Police Jury is a participating employer in three defined benefit pension plans (plans) as described in Note 9. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. LEVIED TAXES

The Police Jury levies taxes on real and business personal property located within its boundaries. The Red River Parish Tax Assessor assesses the property values and prepares the Police Jury's property tax roll. The Red River Parish Sheriff bills and collects property taxes for the Police Jury. Ad valorem taxes are levied on October 31st and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31st of each year. The following is a summary of authorized and levied ad valorem taxes as of December 31, 2021:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General alimony:			
Inside municipalities	4.04	3.78	Constitutional
Outside municipalities	2.02	1.89	Constitutional
Public Facilities Maintenance	3.12	3.12	2028
Health Unit	2.08	2.08	2028
Library	7.48	7.36	2022

The Police Jury is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, the local government has the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program ("EZ Program"). For the year ending December 31, 2021, the government participated in the Industrial Tax Exemption Program.

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Order Number JBE 2016-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement. As of December 31, 2021, there were no active exemptions.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the Police Jury's deposits may not be returned to it.

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

At December 31, 2021, the carrying amount of demand deposit accounts was \$1,868,469. The bank balance of \$1,873,837 is secured by Federal depository insurance. Money market funds of \$31,932,460 are held with an investment management company. The money market funds are covered by Security Investor Protection Corporation (SIPC) insurance of \$250,000 and the remaining balance is collateralized in government money market funds with an S&P rating of AAAM. Certificates of deposits are included in the investment caption in the balance sheet with a balance totaling \$10,778,939. These balances are secured by Federal deposit insurance or collateralized by pledged securities owned by the financial institution in the name of the bank or held in custody at a mutually acceptable bank but in the name of the pledging fiscal agent bank. Approximately \$900,000 was not fully collateralized or FDIC insured and therefore, was exposed to custodial credit risk.

Investments

The Police Jury maintains investment accounts as authorized by the Louisiana Revised Statutes. Under state law, the Police Jury may invest in Louisiana Asset Management Pool (LAMP), U.S. Treasury notes and bonds, U.S. agency securities and other governmental debt obligations with limited exceptions as noted in Louisiana R.S. 33:2955. Investments in time certificates of deposit can be placed with state banks, national banks or federal credit unions as permitted in state statute.

Investments with a maturity of less than 90 days are classified on the statement of net position as "cash and cash equivalents". In accordance with Section I50 paragraphs 110 and 111 of *GASB Codification of Governmental Accounting and Financial Reporting Standards*, investments in U.S. Treasury or Agency obligations that have a remaining maturity at time of purchase of one year or less are stated at amortized cost which is not materially different from fair value. All other investments are shown at fair value.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Investments (continued)

As of December 31, 2021, the Police Jury had its assets in U.S. agency securities, mutual funds consisting of government securities and certificates of deposit. The below schedule identifies the investments by type:

Type of Investment	Total Carrying Value	Remaining Maturity				Credit Rating (Moody's)
		Less than one year	1-5 years	6-10 years	More than 10 years	
Investments at fair value						
Fixed Income Government Securities						
Fed Farm Credit Bank	\$ 2,610,709	\$ -	\$ -	\$ 1,155,890	\$ 1,454,819	Aaa
FNMA	1,071,270	-	-	284,269	787,001	Aaa
FHLMC	775,456	-	-	71,797	703,659	Aaa
FHLB	3,708,861	-	491,532	1,997,794	1,219,535	Aaa
GNMA	2,758,357	-	-	-	2,758,357	Aaa
	10,924,653	-	491,532	3,509,750	6,923,371	
Mutual Fund Government Securities *	2,590,034	-	-	-	-	
Total investments measured at fair value	13,514,687	-	491,532	3,509,750	6,923,371	
Investments at cost						
Certificates of Deposit	10,778,939	3,169,506	7,609,433	-	-	
Total Investments	\$ 24,293,626	\$ 3,169,506	\$ 8,100,965	\$ 3,509,750	\$ 6,923,371	

* Investment measured at net asset value (NAV). No maturity.

The Police Jury categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Police Jury has the following recurring fair value measurements as of December 31, 2021:

Level 2 inputs – U.S. agency securities are valued using a market-based approach comprised of a combination of directly observable quoted prices and a matrix pricing technique that relies on the securities' relationship to other benchmark quoted securities.

Interest Rate Risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The table above shows the maturities of the Police Jury's investments. The Police Jury's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, one indicator of the measure of interest rate risk is the dispersion of maturity date or debt instruments.

Credit Risk – Under Louisiana R.S. 33:2955, as amended, the Police Jury may invest in Louisiana Asset Management Pool (LAMP), U.S. Treasury notes and bonds, U.S. agency securities and other governmental debt obligations with limited exceptions. The Police Jury's investment policy does not further limit its investment choices.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Investments (continued)

Concentration of Credit Risk – The Police Jury’s investment portfolio had concentration of credit risk on December 31, 2021 due to the holding of securities issued by the following U.S. Agencies that are both permitted by statute and the Police Jury’s investment policy. The Police Jury’s investment portfolio consisted of 11% of securities issued by Federal Farm Credit Bank, 15% of securities issued by Federal Home Loan Bank, 11% of securities issued by the Government National Mortgage Association, 11% of mutual fund consisting of government securities, and 44% of certificates of deposit. The Police Jury’s investment policy does not limit the amount it may invest in any one issuer.

Custodial credit risk-investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Jury has custodial credit risk exposure for the investment balance because the related securities are uninsured, unregistered, and held by the government’s brokerage firm, which is also the counterparty for these particular securities. Investments are held with an investment management company which is insured by SIPC for up to \$500,000.

The mutual funds consisting of government securities are valued at the daily closing price as report by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

Certificates of deposit are time deposits with a bank. They bear a specific maturity in excess of 90 days. Certificates of deposit are reported at cost.

4. ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at December 31, 2021:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Taxes			
Ad valorem	\$ 3,803,384	\$ -	\$ 3,803,384
Sales	265,808	-	265,808
Severance	49,456	-	49,456
Fees, charges, and commission for services	89,732	1,812	91,544
Other	<u>555,039</u>	<u>-</u>	<u>555,039</u>
Total	<u>\$ 4,763,419</u>	<u>\$ 1,812</u>	<u>\$ 4,765,231</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

5. CAPITAL ASSETS

Capital assets and depreciation activity for the Police Jury's governmental activities as of and for the year ended December 31, 2021 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Non-Depreciable Capital Assets:				
Land	\$ 497,849	\$ 40,865	\$ -	\$ 538,714
Total Non-Depreciable Assets	<u>497,849</u>	<u>40,865</u>	<u>-</u>	<u>538,714</u>
Depreciable Capital Assets:				
Buildings & Building Improvements	11,063,945	27,572	-	11,091,517
Streets, Parking Lots & Other Improvements	15,883,582	930,091	-	16,813,673
Furniture, Equipment & Vehicles	4,736,736	67,826	-	4,804,562
Library Books & Information Materials	309,065	18,049	-	327,114
Total Depreciable Capital Assets	<u>31,993,328</u>	<u>1,043,538</u>	<u>-</u>	<u>33,036,866</u>
Less Accumulated Depreciation:				
Buildings & Building Improvements	7,694,355	354,673	-	8,049,028
Streets, Parking Lots & Other Improvements	10,272,771	1,423,403	-	11,696,174
Furniture, Equipment & Vehicles	3,946,375	264,798	-	4,211,173
Library Books & Information Materials	195,897	21,968	-	217,865
Total Accumulated Depreciation	<u>22,109,398</u>	<u>2,064,842</u>	<u>-</u>	<u>24,174,240</u>
Depreciable Capital Assets, Net	<u>9,883,930</u>	<u>(1,021,304)</u>	<u>-</u>	<u>8,862,626</u>
Capital Assets, Net	<u>\$ 10,381,779</u>	<u>\$ (980,439)</u>	<u>\$ -</u>	<u>\$ 9,401,340</u>

Depreciation expense was charged to functions/programs of the governmental-type activities as follows:

General government	\$ 518,629
Public safety	454,544
Public works	769,923
Health and welfare	155,229
Recreation and culture	166,517
Total depreciation expense	<u>\$ 2,064,842</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

5. CAPITAL ASSETS (continued)

Capital assets and depreciation activity for the Police Jury's business-type activities as of and for the year ended December 31, 2021 are as follows:

Business-Type Activities	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Depreciable Capital Assets:				
Sewer System	\$ 1,637,697	\$ 3,066	-	\$ 1,640,763
Total Depreciable Capital Assets	<u>1,637,697</u>	<u>3,066</u>	<u>-</u>	<u>1,640,763</u>
Less Accumulated Depreciation:				
Sewer System	1,385,222	44,655	-	1,429,877
Total Accumulated Depreciation	<u>1,385,222</u>	<u>44,655</u>	<u>-</u>	<u>1,429,877</u>
Depreciable Capital Assets, Net	<u>252,475</u>	<u>(41,589)</u>	<u>-</u>	<u>210,886</u>
Capital Assets, Net	<u>\$ 252,475</u>	<u>\$ (41,589)</u>	<u>-</u>	<u>\$ 210,886</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The following is a summary of accounts payable at December 31, 2021:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Vendor	\$ 289,209	\$ 1,071	\$ 290,280
Salaries and related benefits	173,875	-	173,875
Total	<u>\$ 463,084</u>	<u>\$ 1,071</u>	<u>\$ 464,155</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

7. COMPENSATED ABSENCES

The following is a summary of compensated absences of the Police Jury for the year ended December 31:

	Balance at December 31, 2020	Additions	Deletions	Balance at December 31, 2021	Current Amount
Compensated absences	\$ 72,473	\$ 77,507	(\$ 82,200)	\$ 67,780	\$ 67,780

8. INTERFUND TRANSFERS

Interfund transfers are to fund the operating deficiencies in each fund due to timing of receipt of revenue funds. In addition, the Sales tax fund and other transfers from the Road Emergency fund to Unit 1 Road fund are to assist in ongoing construction projects. Operating transfers for the year ended December 31, 2021, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities		
General	\$ 366,731	\$ 647,000
Sales tax	-	1,800,000
Library fund	-	4,000
Unit 1 Road fund	1,500,000	-
Public Facilities Maintenance Fund	50,000	-
Other non-major governmental funds	513,590	29,321
Business-type activities		
Sewer fund	50,000	-
Total	<u>\$ 2,480,321</u>	<u>\$ 2,480,321</u>

9. DEFINED BENEFIT PENSION PLANS

The Red River Parish Police Jury (the Police Jury) is a participating employer in three cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Parochial Employees' Retirement System of Louisiana (PERS), the District Attorneys' Retirement System (DARS) and the Registrar of Voters Employees' Retirement System (ROVERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

PERS:	DARS:	ROVERS:
7905 Wrenwood Blvd.	1645 Nicholson Drive.	PO Box 57.
Baton Rouge, Louisiana	Baton Rouge, LA 70802-	Jennings, LA
70809	8143	70546
(225) 928-1361	(225) 267-4824	(800) 510-8515
www.persla.org	www.ladars.org	www.larovers.com

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

Plan Descriptions:

Parochial Employees' Retirement System of Louisiana (PERS)

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the system.

District Attorneys' Retirement System (DARS)

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

Registrar of Voters Employees' Retirement System (ROVERS)

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

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PRSAC).

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended December 31, 2021, for the Police Jury and covered employees were as follows:

	<u>Police Jury</u>	<u>Employees</u>
Parochial Employees' Retirement System of Louisiana: Plan A	12.250%	9.50%
District Attorneys' Retirement System	4.00%	8.00%
Registrar of Voters Employees' Retirement System	18.00%	7.00%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>December 31,</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Parochial Employees' Retirement System of Louisiana: Plan A	\$ 215,765	\$ 198,150	\$ 152,085
District Attorneys' Retirement System	3,720	2,600	1,639
Registrar of Voters Employees' Retirement System	4,058	4,214	3,831

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. **DEFINED BENEFIT PENSION PLANS** (continued)

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

The following schedule lists the Police Jury's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the measurement dates for each respective retirement system. The Police Jury uses this measurement to record its Net Pension Liability and associated amounts as of the respective measurement dates in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at the current measurement date for each respective retirement system along with the change compared to the rate used in the previous measurement period for each respective retirement system. The Police Jury's proportion of the Net Pension Liability was based on each Agency's share of contributions to the pension plan relative to the contributions of all participating employers.

	Net Pension Liability (Asset) at Measurement Date	Rate at Current Measurement Date	Increase in Rate from Previous Measurement Date
Governmental Activities:			
Parochial Employees' Retirement System of Louisiana:			
Plan A *	\$ (424,644)	0.242181%	0.033614%
District Attorneys' Retirement System **	22,438	0.126036%	0.021257%
Registrar of Voters Employees' Retirement System **	7,345	0.231558%	0.065142%
	<u>\$ (394,861)</u>		

* The Plan presented has a measurement date of December 31, 2020.

** The Plans presented have a measurement date of June 30, 2021.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

The following schedule list each pension plan's recognized pension expense plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the Police Jury for the year ended December 31, 2021:

	<u>Pension Expense</u>
Parochial Employees' Retirement System of Louisiana:	
Plan A	\$ 52,501
District Attorneys' Retirement System	15,664
Registrar of Voters Employees' Retirement System	5,509
	\$ 73,674

At December 31, 2021, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 113,970	\$ (61,819)
Changes of assumptions	189,356	-
Net difference between projected and actual earnings on pension plan investments	-	(925,897)
Changes in proportion and differences between Employer contributions and proportionate share of contributions		
Changes in proportion	65,593	(24,277)
Difference in contribution	1,003	(2,076)
Employer contributions subsequent to the measurement date	219,811	-
Total	\$ 589,733	\$ (1,014,069)

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees' Retirement System of Louisiana:		
Plan A	\$ 499,142	\$ (898,932)
District Attorneys' Retirement System	60,318	(69,097)
Registrar of Voters Employees' Retirement System	30,273	(46,040)
	\$ 589,733	\$ (1,014,069)

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

The Police Jury reported a total of \$219,811 as deferred outflow of resources related to pension contributions made subsequent to the measurement which will be recognized as a reduction in Net Pension Liability in the year ended December 31, 2022. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Parochial Employees' Retirement System of Louisiana: Plan A	\$ 215,766
District Attorneys' Retirement System	1,860
Registrar of Voters Employees' Retirement System	<u>2,185</u>
	<u>\$ 219,811</u>

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

Deferral Period	PERS A	DARS	ROVERS	Total
2021	\$ (173,121)	\$ -	\$ -	\$ (173,121)
2022	(56,675)	(502)	(4,708)	(61,885)
2023	(250,370)	2,152	(5,506)	(253,724)
2024	(135,390)	(5,031)	(1,819)	(142,240)
2025	-	(7,258)	(5,919)	(13,177)
	<u>\$ (615,556)</u>	<u>\$ (10,639)</u>	<u>\$ (17,952)</u>	<u>\$ (644,147)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the valuation date for each respective retirement system are as follows on the next page:

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

	PERS	DARS	ROVERS
Valuation Date	December 31, 2020	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	4 years	5 years	5 years
Investment Rate of Return	6.40% net of investment expenses, including inflation	6.10% net of investment expenses, including inflation	6.25%, net of investment expense
Inflation Rate	2.30% per annum	2.20%	2.30%
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 12% 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.	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.	RP-2010 Public Retirement Plans Mortality Table for general employees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale - Employees, Annuitant and Beneficiaries. RP-2010 Public Retirement Plans Mortality Table for general disabled retirees multiplied by 120% for males and 120% for females each with full generational projection using the appropriate MP-2019 improvement scale - Disabled Annuitants.
Salary Increases	<i>Plan A 4.75%, Plan B 4.25%</i>	<i>5.0% (2.2% inflation, 2.8% merit)</i>	<i>5.25%</i>
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	Only those previously granted	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

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

<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
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 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.25% for the year ended June 30, 2021.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.75% for the year ended June 30, 2021.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of each respective measurement date:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	PERS	DARS	ROVERS	PERS	DARS	ROVERS
Equities	51.0%	57.11%	57.5%	3.36%	6.43%	4.51%
Fixed income	33.0%	30.19%	22.5%	0.86%	0.94%	0.66%
Alternatives	14.0%	12.67%	10.0%	0.67%	0.89%	0.63%
Real assets	2.0%	0.00%	10.0%	0.11%	0.00%	0.45%
Cash	0.0%	0.03%	0.0%	0.00%	0.00%	0.00%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>5.00%</u>	<u>5.80%</u>	<u>6.25%</u>
Inflation				<u>2.00%</u>	<u>2.45%</u>	<u>2.50%</u>
Expected Arithmetic Nominal Return				<u>7.00%</u>	<u>8.25%</u>	<u>8.75%</u>

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for PERS was 6.40%, DARS was 6.10% and ROVERS was 6.25% for each respective measurement date.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

9. DEFINED BENEFIT PENSION PLANS (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Police Jury's proportionate share of the Net Pension Liability (NPL) or Net Pension Asset (NPA) using the discount rate of each Retirement System as well as what the Police Jury's proportionate share of the NPL or NPA would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
PERS A			
Rates	5.40%	6.40%	7.40%
Police Jury's Share of			
NPL	\$ 890,353	\$ (424,644)	\$ (1,525,926)
DARS			
Rates	5.10%	6.10%	7.10%
Police Jury's Share of			
NPL	\$ 110,020	\$ 22,438	\$ (50,936)
ROVERS			
Rates	5.25%	6.25%	7.25%
Police Jury's Share of			
NPL	\$ 41,898	\$ 7,345	\$ (22,064)

Payables to the Pension Plan

The Police Jury recorded accrued liabilities to each of the Retirement Systems for the year ended December 31, 2021, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts payable and accrued liabilities. The balance due to each for the retirement systems at December 31 is as follows:

	<u>2021</u>
Governmental Activities:	
Parochial Employees'	
Retirement System of	
Louisiana:	
Plan A	\$ 104,104
District Attorneys' Retirement	
System	1,356
Registrar of Voters Employees'	
Retirement System	<u>1,518</u>
	<u>\$ 106,978</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

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

Benefits Provided – Medical, dental and vision 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. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. Retirees are subject to a minimum of 20 years of service for coverage.

Life insurance coverage is not considered for this valuation.

Employees covered by benefit terms – At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	38
	46

Total OPEB Liability

The Police Jury’s total OPEB liability of \$1,239,968 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0%, including inflation
Discount rate	2.12% annually (Beginning of Year to Determine ADC)
	2.06%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2021, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009, to December 31, 2021.

Changes in the Total OPEB Liability

Balance at December 31, 2020	\$ 1,235,590
Changes for the year:	
Service cost	35,692
Interest	26,573
Differences between expected and actual experience	(28,393)
Changes in assumption	8,689
Benefit payments	(38,183)
Net changes	<u>4,378</u>
Balance at December 31, 2021	<u><u>\$ 1,239,968</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06%) or 1-percentage-point higher (3.06%) than the current discount rate:

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

10. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

	1.0% Decrease (1.06%)	Current Discount Rate (2.06%)	1.0% Increase (3.06%)
Total OPEB liability	\$ 1,400,844	\$ 1,239,968	\$ 1,104,366

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 Discount Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 1,102,592	\$ 1,239,968	\$ 1,410,280

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

For the year ended December 31, 2021, the Police Jury recognized OPEB expense of \$84,221. At December 31, 2021, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 172,036	\$ (76,942)
Changes in assumptions	114,510	(34,756)
Total	<u>\$ 286,546</u>	<u>\$ (111,698)</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 June 30:	
2022	\$ 21,956
2023	21,956
2024	21,956
2025	21,956
2026	21,956
Thereafter	<u>65,068</u>
	<u>\$ 174,848</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

11. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus in the Criminal Court Fund at year end be transferred to the Police Jury's General Fund. The amounts due to the General Fund was \$33,410 as of December 31, 2021.

12. RISK MANAGEMENT

The Red River Parish Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Police Jury.

13. CLAIMS AND JUDGMENTS

The Red River Parish Police Jury participates in federal and state programs that are fully or partially funded by grants received from other Governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Police Jury may be required to reimburse the grantor government. The Police Jury believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial condition of the Police Jury.

14. CURRENT ACCOUNTING STANDARDS SCHEDULED TO BE IMPLEMENTED

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Police Jury's financial report:

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after December 15, 2021. The Police Jury will include the requirements of this standard, as applicable, in its December 31, 2022 financial statement. All of the Police Jury's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Police Jury is unknown at this time.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

15. SUBSEQUENT EVENTS

In April 2022 the Police Jury passed the renewal of the Library levied tax for an additional 10 year period. The renewal was for the same levied tax rate as previously reported in note 2.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis) (See Note A)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 775,000	\$ 856,500	\$ 877,038	\$ 20,538
Severance taxes	1,010,000	1,227,312	1,215,820	(11,492)
Other	250,000	426,420	559,330	132,910
License and permits	98,700	90,800	86,944	(3,856)
State sources:				
State revenue sharing	14,900	14,900	15,091	191
Other	40,500	40,350	42,206	1,856
Federal grants	100,000	130,000	156,067	26,067
Interest and investment income	100,000	50,000	(90,673)	(140,673)
Miscellaneous	52,200	65,212	110,880	45,668
TOTAL REVENUES	<u>2,441,300</u>	<u>2,901,494</u>	<u>2,972,703</u>	<u>71,209</u>
<u>EXPENDITURES</u>				
General government	995,490	1,117,130	1,054,847	62,283
Public safety	131,850	127,350	131,095	(3,745)
Health and welfare	248,865	281,100	240,806	40,294
Capital outlay	-	-	6,764	(6,764)
TOTAL EXPENDITURES	<u>1,376,205</u>	<u>1,525,580</u>	<u>1,433,512</u>	<u>92,068</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,065,095</u>	<u>1,375,914</u>	<u>1,539,191</u>	<u>163,277</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	304,000	304,000	366,731	62,731
Transfers out	(500,000)	(647,000)	(647,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(196,000)</u>	<u>(343,000)</u>	<u>(280,269)</u>	<u>62,731</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>869,095</u>	<u>1,032,914</u>	<u>1,258,922</u>	<u>226,008</u>
Budgetary Fund Balances, beginning of year	<u>14,891,687</u>	<u>14,826,404</u>	<u>14,826,404</u>	<u>-</u>
Budgetary Fund Balances, end of year	<u>\$ 15,760,782</u>	<u>\$ 15,859,318</u>	<u>\$ 16,085,326</u>	<u>\$ 226,008</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Local sources:				
Taxes				
Sales and use taxes	\$ 2,200,000	\$ 2,500,000	\$ 2,876,354	\$ 376,354
Interest and investment income	-	-	(14,049)	(14,049)
TOTAL REVENUES	<u>2,200,000</u>	<u>2,500,000</u>	<u>2,862,305</u>	<u>362,305</u>
<u>EXPENDITURES</u>				
General government	<u>25,800</u>	<u>20,200</u>	<u>19,676</u>	<u>524</u>
TOTAL EXPENDITURES	<u>25,800</u>	<u>20,200</u>	<u>19,676</u>	<u>524</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>2,174,200</u>	 <u>2,479,800</u>	 <u>2,842,629</u>	 <u>362,829</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(2,800,000)</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,800,000)</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>-</u>
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	 <u>(625,800)</u>	 <u>679,800</u>	 <u>1,042,629</u>	 <u>362,829</u>
Budgetary Fund Balances, beginning of year	<u>10,779,412</u>	<u>10,957,655</u>	<u>10,957,655</u>	<u>-</u>
Budgetary Fund Balances, end of year	<u>\$ 10,153,612</u>	<u>\$ 11,637,455</u>	<u>\$ 12,000,284</u>	<u>\$ 362,829</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

AMBULANCE SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
Taxes				
Sales and use taxes	\$ 1,100,000	\$ 1,200,000	\$ 1,438,058	\$ 238,058
Fees, charges, and commissions for services	420,000	370,000	445,026	75,026
Federal grants	-	-	-	-
Interest and investment income	-	-	(64,498)	(64,498)
Miscellaneous	10,000	10,000	38,935	28,935
TOTAL REVENUES	1,530,000	1,580,000	1,857,521	277,521
<u>EXPENDITURES</u>				
Public safety	1,331,410	1,301,942	1,246,574	55,368
Capital outlay	-	-	49,811	(49,811)
TOTAL EXPENDITURES	1,331,410	1,301,942	1,296,385	5,557
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	198,590	278,058	561,136	283,078
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	198,590	278,058	561,136	283,078
Budgetary Fund Balances, beginning of year	10,002,463	10,209,584	10,209,584	-
Budgetary Fund Balances, end of year	\$ 10,201,053	\$ 10,487,642	\$ 10,770,720	\$ 283,078

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 1,500,000	\$ 1,701,000	\$ 1,743,819	\$ 42,819
Fees, charges, and commissions for services	2,050	950	576	(374)
State sources:				
State revenue sharing	15,730	57,795	17,435	(40,360)
Other	-	-	-	-
Federal grants	-	-	47,065	47,065
Interest and investment income	1,400	1,000	37,601	36,601
Miscellaneous	1,250	-	-	-
TOTAL REVENUES	1,520,430	1,760,745	1,846,496	85,751
<u>EXPENDITURES</u>				
Recreation and culture	622,040	529,999	500,861	29,138
Capital Outlay	-	53,100	66,882	(13,782)
TOTAL EXPENDITURES	622,040	583,099	567,743	15,356
 EXCESS OF REVENUES OVER EXPENDITURES	 898,390	 1,177,646	 1,278,753	 101,107
 <u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	-	-	(4,000)	(4,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(4,000)	(4,000)
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	 898,390	 1,177,646	 1,274,753	 97,107
Budgetary Fund Balances, beginning of year	10,367,220	10,702,500	10,702,500	-
Budgetary Fund Balances, end of year	\$ 11,265,610	\$ 11,880,146	\$ 11,977,253	\$ 97,107

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

UNIT 1 ROAD FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Local sources:				
License and permits	\$ 7,500	\$ 250,000	\$ 293,741	\$ 43,741
Fees, charges, and commissions for services	-	22,690	22,515	(175)
State sources:				
Parish transportation fund	130,000	130,000	135,904	5,904
Other	-	-	-	-
Miscellaneous	27,000	15,318	15,346	28
TOTAL REVENUES	164,500	418,008	467,506	49,498
<u>EXPENDITURES</u>				
Public works	1,452,100	1,530,262	1,933,115	(402,853)
Capital outlay	1,500,000	1,000,000	45,179	954,821
TOTAL EXPENDITURES	2,952,100	2,530,262	1,978,294	551,968
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,787,600)	(2,112,254)	(1,510,788)	601,466
 <u>OTHER FINANCING SOURCES</u>				
Transfers in	2,500,000	1,500,000	1,500,000	-
TOTAL OTHER FINANCING SOURCES (USES)	2,500,000	1,500,000	1,500,000	-
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>				
	(287,600)	(612,254)	(10,788)	601,466
Budgetary Fund Balances, beginning of year	\$ 853,348	\$ 755,740	\$ 755,740	-
Budgetary Fund Balances, end of year	\$ 565,748	\$ 143,486	\$ 744,952	\$ 601,466

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

PUBLIC FACILITIES MAINTENANCE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis) (See Note A)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Local sources:				
Taxes				
Ad valorem taxes	\$ 653,000	\$ 722,209	\$ 740,569	\$ 18,360
License and permits	1,330	580	580	-
Fees, charges, and commissions for services	42,000	42,000	42,000	-
State sources:				
State revenue sharing	10,120	5,086	10,636	5,550
Other state funds	1,000	-	-	-
Federal grants	-	-	-	-
Interest and investment income	-	-	14,655	14,655
TOTAL REVENUES	<u>707,450</u>	<u>769,875</u>	<u>808,440</u>	<u>38,565</u>
<u>EXPENDITURES</u>				
Public works	543,750	515,616	469,486	46,130
Capital outlay	-	-	4,455	(4,455)
TOTAL EXPENDITURES	<u>543,750</u>	<u>515,616</u>	<u>473,941</u>	<u>41,675</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 <u>163,700</u>	 <u>254,259</u>	 <u>334,499</u>	 <u>80,240</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	50,000	50,000	50,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>				
	213,700	304,259	384,499	80,240
Fund Balances, beginning of year	\$ 3,651,452	\$ 3,765,935	\$ 3,765,935	-
Fund Balances, end of year	<u>\$ 3,865,152</u>	<u>\$ 4,070,194</u>	<u>\$ 4,150,434</u>	<u>\$ 80,240</u>

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

ROAD EMERGENCY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis) (See Note A)	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Gaming revenues	2,500	\$ 2,500	3,543	
Miscellaneous	500,000	363,000	144,013	(218,987)
TOTAL REVENUES	502,500	365,500	147,556	(218,987)
<u>EXPENDITURES</u>				
Public works	-	-	-	-
Capital outlay	500,000	1,000,000	890,912	109,088
TOTAL EXPENDITURES	500,000	1,000,000	890,912	109,088
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,500	(634,500)	(743,356)	(108,856)
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>				
	2,500	(634,500)	(743,356)	(108,856)
Fund Balances, beginning of year	\$ 298,727	\$ 1,112,530	\$ 1,112,530	-
Fund Balances, end of year	\$ 301,227	\$ 478,030	\$ 369,174	\$ (108,856)

See accompanying note to budgetary comparison schedules.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
DECEMBER 31, 2021

Note A – Budget to Actual Reconciliation

Ad valorem taxes collected within 60 days of the reporting period are considered measurable and available and are therefore recognized as revenues in the fund financial statements. Taxes collected after that are considered deferred inflows and are not recognized in the reporting period. Budgets are prepared on a budgetary basis which recognizes taxes collected after 60 days.

A reconciliation of the budgetary basis revenues and fund balance to revenues reflected in accordance with generally accepted accounting principles (GAAP) is presented below.

	<u>General Fund</u>	<u>Library Fund</u>	<u>Public Facilities Maintenance Fund</u>
Ad valorem taxes (GAAP)	\$ 859,448	\$ 1,712,956	\$ 726,156
Prior year deferred inflows	(38,152)	(83,753)	(34,174)
Current year deferred inflows	<u>55,742</u>	<u>114,616</u>	<u>48,587</u>
Ad valorem taxes (budgetary basis)	<u>\$ 877,038</u>	<u>\$ 1,743,819</u>	<u>\$ 740,569</u>
Beginning fund balance (GAAP)	\$ 14,788,252	\$ 10,619,348	\$ 3,772,570
Prior year deferred inflows	<u>38,152</u>	<u>83,152</u>	<u>34,174</u>
Beginning fund balance (budgetary basis)	<u>\$ 14,826,404</u>	<u>\$ 10,702,500</u>	<u>\$ 3,806,744</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULES OF CHANGES IN
TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2021

SCHEDULE OF FUNDING PROGRESS

<u>Fiscal Year Ending</u>	<u>Measurement date</u>	<u>Service Cost</u>	<u>Interest</u>	<u>Difference between actual and expected experience</u>	<u>Changes of assumptions</u>	<u>Benefit payments</u>	<u>Net change in total OPEB liability</u>	<u>Total OPEB liability - beginning</u>	<u>Total OPEB liability - ending</u>	<u>Covered-employee payroll</u>	<u>Total OPEB liability as a percentage of covered-employee payroll</u>
12/31/21	12/31/21	\$ 35,692	\$ 26,573	\$ (28,393)	\$ 8,689	\$ (38,183)	\$ 4,378	\$ 1,235,590	\$ 1,239,968	\$ 1,802,173	68.80%
12/31/20	12/31/20	\$ 27,132	\$ 27,010	\$ 215,040	\$ 30,465	\$ (36,243)	\$ 263,404	\$ 972,186	\$ 1,235,590	\$ 1,538,136	80.33%
12/31/19	12/31/19	\$ 31,536	\$ 36,367	\$ (29,008)	\$ 107,139	\$ (45,071)	\$ 100,963	\$ 871,223	\$ 972,186	\$ 1,584,280	61.36%
12/31/18	12/31/18	\$ 40,967	\$ 32,747	\$ (41,151)	\$ (48,659)	\$ (44,131)	\$ (60,227)	\$ 931,450	\$ 871,223	\$ 1,538,136	56.64%

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

See notes to required supplementary information.

Red River Parish Police Jury
Schedule of the Proportionate Share of the Net Pension Liability
Cost Sharing Plans
For the Year Ended December 31, 2021 (*)

Pension Plan	Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Parochial Employees' Retirement System of Louisiana						
	2021	0.2422%	\$ (424,644)	\$ 1,617,538	-26.2525%	104.00%
	2020	0.2086%	9,818	1,322,476	0.7424%	99.89%
	2019	0.2348%	1,042,122	1,443,453	72.1965%	88.86%
	2018	0.2321%	(172,269)	1,428,380	-12.0604%	101.98%
	2017	0.2489%	512,549	1,475,352	34.7408%	94.15%
	2016	0.2595%	683,031	1,443,327	47.3234%	92.23%
	2015	0.2591%	70,830	1,453,831	4.8720%	99.15%
District Attorneys' Retirement System						
	2021	0.1260%	\$ 22,438	\$ 79,001	28.4023%	96.79%
	2020	0.1048%	83,014	65,000	127.7138%	84.86%
	2019	0.1106%	35,586	59,583	59.7251%	93.13%
	2018	0.0911%	29,327	52,498	55.8631%	92.92%
	2017	0.0658%	17,754	39,996	44.3894%	93.57%
	2016	0.0606%	11,595	39,996	28.9904%	95.09%
	2015	0.0682%	3,674	39,996	9.1859%	98.56%
	2014	0.0597%	1,190	39,996	2.9753%	99.45%
Registrar of Voters Employees' Retirement System						
	2021	0.2316%	\$ 7,345	\$ 22,547	32.5769%	97.68%
	2020	0.1664%	35,851	22,547	159.0056%	83.32%
	2019	0.1205%	22,537	15,411	146.2397%	84.83%
	2018	0.1625%	38,359	22,547	170.1291%	80.57%
	2017	0.1646%	36,134	22,547	160.2608%	80.51%
	2016	0.1499%	42,526	20,584	206.5974%	73.98%
	2015	0.1662%	40,708	22,547	180.5473%	76.86%
	2014	0.2337%	54,024	20,581	262.4945%	77.68%

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

(*) The amounts presented have a liability measurement date as follows:

Measurement Date	Pension Plan
December 31 of the prior year	Parochial Employees' Retirement System of Louisiana
June 30 of the year ended	District Attorneys' Retirement System
June 30 of the year ended	Registrar of Voters Employees' Retirement System

See notes to required supplementary information.

Red River Parish Police Jury
Schedule of Contributions to Each Retirement System
Cost Sharing Plans
For the Year Ended December 31, 2021

<u>Pension Plan:</u>	<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll³</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Parochial Employees' Retirement System of Louisiana						
	2021	\$ 215,766	\$ 215,766	\$ -	\$ 1,761,355	12.25%
	2020	198,150	198,150	-	1,617,538	12.25%
	2019	152,085	152,085	-	1,322,476	11.50%
	2018	165,997	165,997	-	1,443,453	11.50%
	2017	178,548	178,548	-	1,428,380	12.50%
	2016	191,796	191,796	-	1,475,352	13.00%
	2015	209,282	209,282	-	1,443,327	14.50%
	2014	232,613	232,613	-	1,453,831	16.00%
District Attorneys' Retirement System						
	2021	\$ 3,720	\$ 3,720	\$ -	\$ 79,001	4.71%
	2020	2,600	2,600	-	65,000	4.00%
	2019	1,639	1,639	-	65,000	2.52%
	2018	406	406	-	65,000	0.62%
	2017	-	-	-	39,996	0.00%
	2016	700	700	-	39,996	1.75%
	2015	2,100	2,100	-	39,996	5.25%
	2014	3,350	3,350	-	39,996	8.38%
Registrar of Voters Employees' Retirement System						
	2021	\$ 4,058	\$ 4,058	\$ -	\$ 22,547	18.00%
	2020	4,214	4,214	-	23,414	18.00%
	2019	3,831	3,831	-	21,870	17.52%
	2018	2,735	2,735	-	16,087	17.00%
	2017	4,171	4,171	-	22,547	18.50%
	2016	4,350	4,350	-	20,584	21.13%
	2015	5,270	5,270	-	22,547	23.37%
	2014	5,418	5,418	-	22,344	24.25%

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

For reference only:

¹ Employer contribution rate multiplied by employer's covered payroll

² Actual employer contributions remitted to Retirement Systems

³ Employer's covered payroll amount for each of the years ended December 31

See notes to required supplementary information.

**RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021**

Retirement Plans

Changes in benefit terms -

There were no changes of benefit terms for the years presented.

Changes in assumptions -

The following changes in actuarial assumptions for each year are as follows:

PERS				DARS				ROVERS			
Discount Rate:											
Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change
12/31/2021	12/31/2020	6.400%	-0.100%	12/31/2021	6/30/2021	6.100%	-0.150%	12/31/2021	6/30/2021	6.250%	-0.150%
12/31/2020	12/31/2019	6.500%	0.000%	12/31/2020	6/30/2020	6.250%	-0.250%	12/31/2020	6/30/2020	6.400%	-0.100%
12/31/2019	12/31/2018	6.500%	-0.250%	12/31/2019	6/30/2019	6.500%	0.000%	12/31/2019	6/30/2019	6.500%	0.000%
12/31/2018	12/31/2017	6.750%	-0.250%	12/31/2018	6/30/2018	6.500%	-0.250%	12/31/2018	6/30/2018	6.500%	-0.250%
12/31/2017	12/31/2016	7.000%	0.000%	12/31/2017	6/30/2017	6.750%	-0.250%	12/31/2017	6/30/2017	6.750%	-0.250%
12/31/2016	12/31/2015	7.000%	-0.250%	12/31/2016	6/30/2016	7.000%	0.000%	12/31/2016	6/30/2016	7.000%	0.000%
12/31/2015	12/31/2014	7.250%		12/31/2015	6/30/2015	7.000%	-0.250%	12/31/2015	6/30/2015	7.000%	0.000%
				12/31/2014	6/30/2014	7.250%		12/31/2014	6/30/2014	7.000%	
Inflation Rate:											
Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change
12/31/2021	12/31/2020	2.300%	-0.100%	12/31/2021	6/30/2021	2.200%	-0.100%	12/31/2021	6/30/2021	2.300%	0.000%
12/31/2020	12/31/2019	2.400%	0.000%	12/31/2020	6/30/2020	2.300%	-0.100%	12/31/2020	6/30/2020	2.300%	-0.100%
12/31/2019	12/31/2018	2.400%	-0.100%	12/31/2019	6/30/2019	2.400%	0.000%	12/31/2019	6/30/2019	2.400%	0.000%
12/31/2018	12/31/2017	2.500%	0.000%	12/31/2018	6/30/2018	2.400%	-0.100%	12/31/2018	6/30/2018	2.400%	-0.100%
12/31/2017	12/31/2016	2.500%	0.000%	12/31/2017	6/30/2017	2.500%	0.000%	12/31/2017	6/30/2017	2.500%	0.000%
12/31/2016	12/31/2015	2.500%	-0.500%	12/31/2016	6/30/2016	2.500%	0.000%	12/31/2016	6/30/2016	2.500%	0.000%
12/31/2015	12/31/2014	3.000%		12/31/2015	6/30/2015	2.500%	-0.250%	12/31/2015	6/30/2015	2.500%	-0.250%
				12/31/2014	6/30/2014	2.750%		12/31/2014	6/30/2014	2.750%	
Investment rate of return:											
Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change
12/31/2021	12/31/2020	6.400%	-0.100%	12/31/2021	6/30/2021	6.100%	-0.150%	12/31/2021	6/30/2021	6.250%	-0.150%
12/31/2020	12/31/2019	6.500%	0.000%	12/31/2020	6/30/2020	6.250%	-0.250%	12/31/2020	6/30/2020	6.400%	-0.100%
12/31/2019	12/31/2018	6.500%	-0.250%	12/31/2019	6/30/2019	6.500%	0.000%	12/31/2019	6/30/2019	6.500%	0.000%
12/31/2018	12/31/2017	6.750%	-0.250%	12/31/2018	6/30/2018	6.500%	-0.250%	12/31/2018	6/30/2018	6.500%	-0.250%
12/31/2017	12/31/2016	7.000%	0.000%	12/31/2017	6/30/2017	6.750%	-0.250%	12/31/2017	6/30/2017	6.750%	-0.250%
12/31/2016	12/31/2015	7.000%	-0.250%	12/31/2016	6/30/2016	7.000%	0.000%	12/31/2016	6/30/2016	7.000%	0.000%
12/31/2015	12/31/2014	7.250%		12/31/2015	6/30/2015	7.000%	-0.250%	12/31/2015	6/30/2015	7.000%	0.000%
				12/31/2014	6/30/2014	7.250%		12/31/2014	6/30/2014	7.000%	
Salary Increases:											
Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change	Year end	Measurement Date	Rate	Change
12/31/2021	12/31/2020	4.750%	0.000%	12/31/2021	6/30/2021	5.000%	0.000%	12/31/2021	6/30/2021	5.250%	0.000%
12/31/2020	12/31/2019	4.750%	0.000%	12/31/2020	6/30/2020	5.000%	-0.500%	12/31/2020	6/30/2020	5.250%	-0.750%
12/31/2019	12/31/2018	4.750%	-0.500%	12/31/2019	6/30/2019	5.500%	0.000%	12/31/2019	6/30/2019	6.000%	0.000%
12/31/2018	12/31/2017	5.250%	0.000%	12/31/2018	6/30/2018	5.500%	0.000%	12/31/2018	6/30/2018	6.000%	0.000%
12/31/2017	12/31/2016	5.250%	0.000%	12/31/2017	6/30/2017	5.500%	0.000%	12/31/2017	6/30/2017	6.000%	0.000%
12/31/2016	12/31/2015	5.250%	-0.500%	12/31/2016	6/30/2016	5.500%	0.000%	12/31/2016	6/30/2016	6.000%	0.000%
12/31/2015	12/31/2014	5.750%		12/31/2015	6/30/2015	5.500%	-0.750%	12/31/2015	6/30/2015	6.000%	0.000%
				12/31/2014	6/30/2014	6.250%		12/31/2014	6/30/2014	6.000%	

Other Post-Employment Benefits

Benefit Changes.

There were no changes of benefit terms for the year ended December 31, 2021.

Changes of Assumptions.

The changes in assumptions balance was a result of changes in the discount rate. The following are the discount rates used for in each measurement of total OPEB liability

Measurement Date	Discount Rate
12/31/2021	2.06%
12/31/2020	2.12%
12/31/2019	2.74%
12/31/2018	4.10%
12/31/2017	3.44%

SUPPLEMENTARY INFORMATION

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2021

Tray Murray, President	\$ 19,200
William Brown	19,200
Jessie Davis	19,200
Brandon Hillman	19,200
John Moore, Jr.	19,200
Timothy Young	19,200
Ben Taylor	19,200
	<u>\$ 134,400</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO HEAD OF POLICE JURY
FOR THE YEAR ENDED DECEMBER 31, 2021

Parish Administration Manager:	<u>Jessie Davis</u>
<u>Purpose</u>	<u>Amount</u>
Salary	\$ 122,148
Benefits - insurance	1,317
Benefits - retirement	11,716
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	4,035
Registration fees	275
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 139,491</u>

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED DECEMBER 31, 2021

First Six Month Period Ended	Second Six Month Period Ended
06/30/2021	12/31/2021

Receipts From:

Red River Parish Sheriff/ Criminal Court Costs/Fees
Subtotal Receipts

\$ 45,967	\$ 38,426
\$ 45,967	\$ 38,426

Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

-	-
---	---

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITORS' 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

Red River Parish Police Jury
Coushatta, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Red River Parish Police Jury (Police Jury), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Red River Parish Police Jury's basic financial statements, and have issued our report thereon dated September 9, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control.

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the of financial statement. 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and recommendations as item 2021-001.

Red River Parish Police Jury's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Police Jury's response to the finding identified in our audit and described in the accompanying schedule of findings and recommendations. The Police Jury's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
September 9, 2022

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2021

A. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified, Adverse for the Aggregate Discretely Presented Component Units

- Material weakness identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted? x yes _____ no

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2021-001: Audit Law

Criteria: Louisiana Revised Statute 24:513 requires that political subdivisions of the State submit completed audit reports to the Legislative Auditor no later than six months after the fiscal year. Accordingly, the submission due date was June 30, 2022. In accordance with the provisions for non-emergency extensions promulgated by Louisiana Revised Statute 39:721, the Police Jury requested and was granted a 90-day extension to complete and submit the audit to the Legislative Auditor. Accordingly, the extended due date is September 30, 2022.

Condition: The audit was submitted after the statutory deadline, but before the extended deadline.

Cause: Delays were encountered in the audit process.

Effect: There has been minimal if any impact to intergovernmental funding resulting from the delayed completion.

Recommendation: We recommend that the Police Jury in conjunction with the audit firm take steps to ensure that the audit is not delayed.

View of Responsible Official: We concur with the finding. The Police Jury in conjunction with the audit firm, will take steps by January 30, 2023 to ensure that the audit is completed timely.

RED RIVER PARISH POLICE JURY
COUSHATTA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2021

No prior year findings

RED RIVER PARISH POLICE JURY
LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021



Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Schedule A: Agreed-Upon Procedures Performed and Associated Findings	2 - 16
Schedule B: Management's Response and Corrective Action Plan	17 - 18

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
Red River Parish Police Jury and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Red River Parish Police Jury's (the Police Jury) management is responsible for those C/C areas identified in the SAUPs.

The Police Jury has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Police Jury to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Police Jury and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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 Statute 24:513, this report is distributed by the LLA as a public document.



Baton Rouge, Louisiana
September 9, 2022

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *"no exception noted"* or for step 25 *"we performed the procedure and discussed the results with management"*. If not, then a description of the exception ensues.

A - Written Policies and Procedures

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

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

No exceptions noted.

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

The Entity has written policies for Purchasing; however, the policy does not specifically address attributes (2) how vendors are added to the vendor list and (5) documentation required to be maintained for all bids and price quotes.

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

No exceptions noted.

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

No exceptions noted.

e) ***Payroll/Personnel***, including (1) payroll processing, (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.

No exceptions noted.

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

No exceptions noted.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

A - Written Policies and Procedures (continued)

- 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).

The Entity has written policies for Credit Cards; however, the policy does not specifically address attributes (2) allowable business uses, (3) documentation requirements 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.

The Entity has written policies for Travel and Expense Reimbursement; however, the policy does not specifically address attributes (1) allowable expenses and (3) documentation requirements.

- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The Entity has written policies for Ethics; however, the policy does not specifically address attribute (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

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

No exceptions noted.

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

The Entity does not have written policies for Information Technology Disaster Recovery/Business Continuity.

- l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The Entity does not have written policies for Sexual Harassment.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

B - 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.

No exception noted.

- 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 nonprofit 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.*

For 3 of the 12 months tested, there was no documentation that a review of budget to actual amounts were performed.

- 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.

No exception noted. No negative ending unassigned fund balance noted.

C - Bank Reconciliations

3. Obtain a listing of entity 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 listing of bank accounts was provided and included a total of 8 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending September 31, 2021, resulting in 2 bank reconciliations obtained and subjected to the below procedures. The remaining 3 bank accounts selected for testing did not have bank reconciliations prepared as there was no activity to date on the accounts.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

C - Bank Reconciliations (continued)

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

For the 2 bank reconciliations tested, there was no evidence that the bank reconciliation was prepared within 2 months of the 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

No exceptions noted.

- 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.

No exceptions noted.

D - Collections (excluding electronic funds transfers)

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).

A listing of deposit sites was provided and included a total of 2 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected both deposit sites and performed the procedures below.

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 listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of 2 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

**RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021**

Schedule A

D - Collections (excluding electronic funds transfers) (continued)

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

For 1 of the 2 collection locations selected for testing, the employees responsible for cash collections 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.

For 1 of the 2 locations selected for our procedures, there is one employee who is responsible for collecting cash that is also responsible for preparing/making bank deposits and reconciling collection documentation 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.

For 1 of the 2 locations selected for our procedures, there is one employee who is responsible for collecting cash that is also responsible for posting collection entries to the general ledger or subsidiary ledgers and reconciling ledger postings to each other and 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.

There is no formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the collection locations selected.

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 Entity stated that all employees who have access to cash are bonded and/or covered under the Entity's insurance policy.

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:

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

D - Collections (excluding electronic funds transfers) (continued)

We noted the only cash collection account is the main operating account. As such, we obtained supporting documentation for 2 deposits and performed the procedures below. We reviewed activity of the remaining accounts noting no deposits.

- a) Observe that receipts are sequentially pre-numbered.

No exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- d) Observe 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).

For both deposits selected for testing, collections were not deposited within one week of collection.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

E - 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).

The listing of locations that process payments for the fiscal period was provided and included one payment processing location. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the single payment processing location and performed the procedures below.

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 job 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:

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

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

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions noted.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

- 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.

Personnel responsible for processing payments can also add / modify vendors in the accounting system. The same personnel are also responsible for periodic review of 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.

No exceptions 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 listing of non-payroll disbursements for each payment processing location selected in procedures #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- a) Observe that the disbursement matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions noted.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

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

- b) Observe that the disbursement matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions noted.

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

For the disbursements selected for testing, no PO / requisition was issued. As such, we were unable to validate appropriate initiation and approval (9a).

F - 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.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

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:

From the listing provided, we randomly selected 5 cards (2 credit cards and 3 fuel card) used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

- a) Observe that 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) was reviewed and approved, in writing, 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.]

For the 5 cards selected for testing, there was no evidence of review and approval by someone other than the cardholder.

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

Finance charges / late fees were assessed for 1 of the 5 cards selected for testing.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

F - Credit Cards/Debit Cards/Fuel Cards/P-Cards (continued)

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.

We selected all transactions (less than 10) for 2 of the 5 cards selected in procedure #12 (3 fuel cards excluded) and performed the specified procedures. A total of 2 transactions across both cards were tested.

For 1 of the 2 transactions tested, an itemized receipt identifying precisely what was purchased could not be provided and the business/public purpose was not documented.

G - 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:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Of the 5 reimbursements selected for our procedures, none used per diem. No exceptions noted.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Of the 5 reimbursements selected for our procedures, all 5 used reimbursement using actual costs. No exceptions noted.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

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

- 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).

No exceptions noted

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

H - Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, 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:

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Of the 5 contracts selected for our procedures, none were subject to Louisiana Public Bid Law. No exceptions noted.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Of the 5 contracts selected for our procedures, none were amended. No exceptions noted.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

H – Contracts (continued)

- 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.

No exceptions noted.

I - 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/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures. No exceptions noted.

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:

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #16.

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

I - Payroll and Personnel (continued)

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

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.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures. No exceptions noted.

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.

No exceptions noted.

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

For 2 of the 5 employees/officials selected for testing, we were unable to obtain evidence of completion of 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.

Not applicable as no changes were made to the ethics policy during the year.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

K - Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Not applicable. The Police Jury has no debt service requirements.

22. Obtain a listing of bonds/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 asset funds, or other funds required by the debt covenants).

Not applicable. The Police Jury has no debt service requirements.

L - Fraud Notice

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.

The Police Jury stated there were no misappropriations of public funds and assets during the fiscal period. As such, procedures is not applicable.

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.

No exceptions noted.

M - Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedures and discussed the results with management.

RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021

Schedule A

M - Information Technology Disaster Recovery/Business Continuity (continued)

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedures and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedures and discussed the results with management.

N - Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

For 2 of the 5 employees/officials selected for testing, evidence of at least one hour of sexual harassment training during the calendar year could not be obtained.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Upon review of the Police Jury website, we were unable to locate the sexual harassment policy and complaint procedure. The sexual harassment policy and complaint procedure was appropriately posted on the entity's premise.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

The annual sexual harassment report, including the applicable requirements of R.S. 42:344, was not prepared by the Entity. As such, we were unable to test the following attributes.

- a) Number and percentage of public servants in the agency who have completed the training requirements;

Exception noted as unable to perform testing (see above).

**RED RIVER PARISH POLICE JURY
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
DECEMBER 31, 2021**

Schedule A

N - Sexual Harassment (continued)

- b) Number of sexual harassment complaints received by the agency;

Exception noted as unable to perform testing (see above). We held discussions with Police Jury management noting no sexual harassment complaints were received by the agency during the year.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

Exception noted as unable to perform testing (see above).

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Exception noted as unable to perform testing (see above).

- e) Amount of time it took to resolve each complaint.

Exception noted as unable to perform testing (see above).

**RED RIVER PARISH POLICE JURY
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
DECEMBER 31, 2021**

Schedule B

The Red River Parish Police Jury (the Police Jury) provided a response and corrective action plan for the exceptions noted in Schedule A and are set forth below.

Written Policies and Procedures

The Police Jury will amend policies and procedures where applicable to address the findings noted in this section by December 31, 2022.

Board (or Finance Committee, if applicable)

The Police Jury will ensure that budget to actual reviews will be included in all Police Jury meetings. The corrective action will be completed by September 30, 2022.

Bank Reconciliations

For accounts with no activity, we consider the bank statement the reconciliation. We will begin notating on bank statements with no activity, the agreement to the general ledger. Also, we will emphasize the need to complete all reconciliations within two months of the related statement date. This corrective action will be completed by September 30, 2022.

Collections (excluding electronic funds transfers)

Each year when the Police Jury reviews and updates its policies and procedures, an annual assessment will be performed of the volume and risk and incompatible duties amongst staff, as well as mitigating controls, to determine the need to amend or develop new policies and procedures to address the risk. These annual assessments will begin during the year ended December 31, 2022.

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

Each year when the Police Jury reviews and updates its policies and procedures, an annual assessment will be performed of the volume and risk and incompatible duties amongst staff, as well as mitigating controls, to determine the need to amend or develop new policies and procedures to address the risk, including shifting job duties. These annual assessments will begin during the year ended December 31, 2022.

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

The Police Jury will emphasize the need to document its review of credit card transactions. The Police Jury will also emphasize the need to maintain documentation of each transaction identifying precisely what was purchased and evidencing the business/public purpose. This corrective action will be completed by September 30, 2022.

**RED RIVER PARISH POLICE JURY
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
DECEMBER 31, 2021**

Schedule B

Ethics

The Police Jury will ensure that every employee completes the required 1-hour ethics training each year and will emphasize the need to document the completion of this training. This corrective action will be completed during the year ended December 31, 2022.

Information Technology Disaster Recovery/Business Continuity

The Police Jury plans to amend policies and procedures where applicable to address the findings and ensure that system backups stored on a physical medium are encrypted. This corrective action will be completed by September 30, 2022.

Sexual Harassment

The Police Jury will ensure that every employee completes the required 1-hour sexual harassment training each year and will emphasize the need to document the completion of this training as well as internal reporting supporting this training. This corrective action will be completed during the year ended December 31, 2022.

RED RIVER PARISH POLICE JURY

REPORT TO MANAGEMENT

DECEMBER 31, 2021



Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

September 9, 2022

Red River Parish Police Jury
Coushatta, Louisiana

We have audited the financial statements of the Red River Parish Police Jury (the Police Jury), for the year ended December 31, 2021, and have issued our report thereon. As part of our audit, we evaluated the internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such evaluation are to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting controls. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

During our audit, we became aware of matters that are opportunities for strengthening internal controls or operating efficiency. Our comments and suggestions regarding those matters are set forth below. The Police Jury's response to the matters identified below were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it. This letter does not affect our reports dated September 9, 2022, on the financial statements, compliance, and internal controls of the Police Jury.

Current Year

MLC2021-001 Collateral on Deposits

Criteria:

Louisiana law requires deposits with the fiscal agent or depository bank to be insured or collateralized in accordance with R.S. 39:1221.



MLC2021-001 Collateral on Deposits (Continued)

Condition:

In accordance with R.S. 39:1221A (8), a depository bank had secured a letter of credit issued by the Federal Home Loan Bank as authorized by R.S. 6:318 for \$4,000,000, to collateralize the Police Jury's deposits. The uninsured balance with this institution was approximately \$900,000 more than the letter of credit, leaving the Police Jury exposed to custodial credit risk.

Recommendation:

We recommend that the Police Jury implement a procedure whereby collateral coverage is reviewed quarterly.

Management's Response:

Management concurs with this finding. Management will implement a procedure where collateral is reviewed quarterly. This will be implemented by September 30, 2022.

MLC2021-002 Local Government Budget Act

Criteria:

Louisiana Revised Statute 39:1311A(1) requires that the budget shall be amended when total revenue and other sources (including fund balance from the prior years) plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more and total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

Condition:

Revenues from Bonds/Damages to Parish Roads recognized in the Police Jury's Road Emergency Fund did not meet the expected budgeted amount by more than 5%. This revenue source is based on owner/operators using heavy machinery and trucks on parish roads and is difficult to predict.

Recommendation:

We recommend that the Police Jury implement procedures related to assessing Bonds/Damages to Parish Roads revenue and amending the budget accordingly.

Management's Response:

Management concurs with this finding. Management will implement a procedure where revenue is assessed and amend the budget accordingly. This will be implemented by September 30, 2022.



We have already discussed many of these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience to perform any additional study of these matters, or to assist you in implementing the recommendations. We would also like to thank the Police Jury's staff for their patience and cooperation with us during the performance of the audit.

This report is intended solely for the information and use of the Red River Parish Police Jury and its management and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & Netterville

Baton Rouge, Louisiana
September 9, 2022