

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2023**



**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**TABLE OF CONTENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-4
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	5
Statement of Activities	6
FUND FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS	
Balance Sheet	7
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balances	9-10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	11
Notes to Financial Statements	12-35
REQUIRED SUPPLEMENTAL INFORMATION	
Budgetary Comparison Schedules - Major Funds	36-42
Supplementary Information Required by GASB No. 68 - PERS	43
OTHER SUPPLEMENTAL SCHEDULES	
Nonmajor Governmental Funds:	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	
Special Revenue Funds:	
Fund Descriptions	44
Combining Balance Sheet	45
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	46
Schedule of Compensation Paid Police Jurors	47
Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head	48
Justice System Funding Schedule - Receiving Entity	49
Schedule of Expenditures of Federal Awards	50-51
OTHER REPORTS	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	52-53
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance by the <i>Uniform Guidance</i>	54-55
Schedule of Findings and Questioned Costs	55-65
Summary Schedule of Prior Audit Findings	66
Statewide Agreed-Upon Procedures Representation Letter	67-71
Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures	72-87
Management's Corrective Action Plan	88
LLA Template for Reporting Fraud	

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the
Morehouse Parish Police Jury
Bastrop, Louisiana

Adverse, Qualified, and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Morehouse Parish Police Jury, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Morehouse Parish Police Jury's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Qualified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Qualified
Road Maintenance	Unmodified
Drainage Maintenance	Unmodified
Building Maintenance Fund	Qualified
Solid Waste Fund	Unmodified
ARPA Fund	Qualified
Criminal Court Fund	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, Qualified, 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 Morehouse Parish Police Jury, as of December 31, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinions on Governmental Funds - General Fund, Building Maintenance Fund, and ARPA Fund

In our opinion, except for the matters described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, General Fund, Building Maintenance Fund, and ARPA Fund of Morehouse Parish Police Jury, as of December 31, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Morehouse Parish Police Jury

Bastrop, Louisiana

Independent Auditor's Report

December 31, 2023

Unmodified Opinions on Governmental Funds – Road Maintenance, Drainage Maintenance, Solid Waste 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 Road Maintenance Fund, Drainage Maintenance Fund, Solid Waste Fund, and the aggregate remaining fund information of Morehouse Parish Police Jury, as of December 31, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse, Qualified, and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*. 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 Morehouse Parish 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, qualified, and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units and Qualified Opinions on Governmental Activities, General Fund, Building Maintenance Fund, and ARPA Fund

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 Morehouse Parish Police Jury's legally separate component units on the aggregate discretely presented component units and the aggregate remaining fund information have not been determined.

Management has not included certain general infrastructure assets in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those general infrastructure assets be capitalized and depreciated, which would increase the assets, net position, and expenses of the governmental activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental activities has not been determined.

Management has not recognized \$514,996 of American Rescue Plan Act (ARPA) revenue in the governmental activities that, in accordance with accounting principles generally accepted in the United States of America, should have been recognized as revenue in the current period. Instead, this amount has been reported as unearned revenue. The effect of this departure is to understate revenue and net position in the governmental activities by \$514,996 as of December 31, 2023.

Management included ARPA expenditures totaling \$407,452 and \$107,544, in the General Fund and Maintenance Funds, respectively, that should have been presented in the ARPA Fund. The effect of this departure, in each fund, is to understate Interfund balances (Due from Other Funds) and fund balance, and to overstate expenditures as of December 31, 2023.

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.

Morehouse Parish Police Jury

Bastrop, Louisiana

Independent Auditor's Report

December 31, 2023

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 Morehouse Parish Police Jury's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 a 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 *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the Schedule of Employer's Proportionate Share of Net Pension Liability (Asset), and the schedule of employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Morehouse Parish Police Jury

Bastrop, Louisiana

Independent Auditor's Report

December 31, 2023

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Morehouse Parish Police Jury's basic financial statements. The accompanying combining fund financial statements; the Schedule of Compensation Paid Police Jurors; the Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Agency Head; the Justice Schedule (receiving entity); and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for 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, the combining fund financial statements; the Schedule of Compensation Paid Police Jurors; the Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Agency Head; the Justice Schedule (receiving entity); and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2026, on our consideration of the Morehouse 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Morehouse Parish Police Jury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Morehouse Parish Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

February 17, 2026

Basic Financial Statements

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2023**

ASSETS	
Cash and cash equivalents	\$ 13,058,153
Receivables	2,815,449
Internal balances	61,479
Capital assets, net of accumulated depreciation	10,971,187
TOTAL ASSETS	26,906,268
DEFERRED OUTFLOWS	
Deferred outflow - pension related	662,236
LIABILITIES	
Current liabilities:	
Accounts, salaries and other payables	322,402
Due to other agencies	3,705
Noncurrent liabilities:	
Due within one year	193,192
Due within more than one year	418,215
Net pension liability	495,312
TOTAL LIABILITIES	1,432,826
DEFERRED INFLOWS	
Deferred revenue - unearned	3,049,763
Deferred inflows - pension related	77,205
TOTAL DEFERRED INFLOWS	3,126,968
NET POSITION	
Net investment in capital assets	10,359,780
Restricted	11,464,793
Unrestricted	1,184,137
TOTAL NET POSITION	\$ 23,008,710

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 3,145,299	\$ 411,848	\$ 1,474,566	\$ -	\$ (1,258,885)
Public safety	755,618	28,192	446,897	-	(280,529)
Flood control	308,664	-	-	-	(308,664)
Highway and streets	1,765,065	2,848	390,794	-	(1,371,423)
Sanitation	1,811,038	26,393	-	-	(1,784,645)
Health and welfare	904,408	-	912,596	-	8,188
Economic development and assistance	199,227	-	-	-	(199,227)
Interest expense	39,139	-	-	-	(39,139)
Total governmental activities	<u>\$ 8,928,458</u>	<u>\$ 469,281</u>	<u>\$ 3,224,853</u>	<u>\$ -</u>	<u>(5,234,324)</u>
General revenues:					
Taxes:					
Ad valorem					2,657,519
Sales and use taxes					3,532,243
Other taxes, penalties, and interest					344,702
Unrestricted investment earnings					235,716
Other revenues					66,525
Total general revenues					<u>6,836,705</u>
Change in net position					<u>1,602,381</u>
Net position at beginning of year, restated					<u>21,406,329</u>
Net position at end of year					<u>\$ 23,008,710</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2023**

	GENERAL	ROAD MAINTENANCE	DRAINAGE MAINTENANCE	BUILDING MAINTENANCE	CRIMINAL COURT	SOLID WASTE	AMERICAN RESCUE PLAN	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS									
Cash and cash equivalents	\$ 273,710	\$ 1,457,946	\$ 1,333,386	\$ 96,159	\$ -	\$ 5,346,419	\$ 2,682,671	\$ 1,867,862	\$ 13,058,153
Receivables	719,774	915,672	411,825	258,046	-	272,575	-	237,557	2,815,449
Due from other funds	890,158	775,689	1,171,796	298,754	-	275,700	1,186,531	424,721	5,023,349
TOTAL ASSETS	<u>\$ 1,883,642</u>	<u>\$ 3,149,307</u>	<u>\$ 2,917,007</u>	<u>\$ 652,959</u>	<u>\$ -</u>	<u>\$ 5,894,694</u>	<u>\$ 3,869,202</u>	<u>\$ 2,530,140</u>	<u>\$ 20,896,951</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES									
Liabilities:									
Accounts, salaries and other payables	\$ 211,629	\$ 37,492	\$ 21,594	\$ 5,352	\$ 1,112	\$ -	\$ 28,117	\$ 17,106	\$ 322,402
Due to other funds	1,377,722	98,965	25,779	861,901	1,011,245	12,488	791,322	782,448	4,961,870
Due to other agencies	3,705	-	-	-	-	-	-	-	3,705
Total liabilities	<u>1,593,056</u>	<u>136,457</u>	<u>47,373</u>	<u>867,253</u>	<u>1,012,357</u>	<u>12,488</u>	<u>819,439</u>	<u>799,554</u>	<u>5,287,977</u>
Deferred inflows:									
Unavailable ad valorem tax revenue	153,065	150,849	68,691	41,219	-	-	-	28,501	442,325
Unearned grant revenue	-	-	-	-	-	-	3,049,763	-	3,049,763
Total deferred inflows	<u>153,065</u>	<u>150,849</u>	<u>68,691</u>	<u>41,219</u>	<u>-</u>	<u>-</u>	<u>3,049,763</u>	<u>28,501</u>	<u>3,492,088</u>
Fund balances:									
Restricted fund balances	-	2,862,001	2,800,943	-	-	5,882,206	-	1,702,171	13,247,321
Unassigned fund balances	137,521	-	-	(255,513)	(1,012,357)	-	-	(86)	(1,130,435)
Total fund balances	<u>137,521</u>	<u>2,862,001</u>	<u>2,800,943</u>	<u>(255,513)</u>	<u>(1,012,357)</u>	<u>5,882,206</u>	<u>-</u>	<u>1,702,085</u>	<u>12,116,886</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 1,883,642</u>	<u>\$ 3,149,307</u>	<u>\$ 2,917,007</u>	<u>\$ 652,959</u>	<u>\$ -</u>	<u>\$ 5,894,694</u>	<u>\$ 3,869,202</u>	<u>\$ 2,530,140</u>	<u>\$ 20,896,951</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023**

Total fund balance - governmental funds	\$ 12,116,886
Amounts reported for governmental activities in the statement of net position are different because:	
Some assets are not financial resources.	
Capital assets	10,971,187
Revenues that do not provide current financial resources are deferred in the funds but are recognized for government-wide reporting.	442,325
Deferred items for pension related items are not reported in the fund statements:	
Deferred outflows	662,236
Deferred inflows	(77,205)
Some liabilities, such as bonds payable and compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	
Lease liability	(611,407)
Net pension liability	(495,312)
Net position of governmental activities	<u>\$ 23,008,710</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	GENERAL	ROAD MAINTENANCE	DRAINAGE MAINTENANCE	BUILDING MAINTENANCE	CRIMINAL COURT	SOLID WASTE	AMERICAN RESCUE PLAN	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES									
Taxes:									
Ad valorem	\$ 652,843	\$ 939,434	\$ 429,363	\$ 272,742	\$ -	\$ -	\$ -	\$ 265,429	\$ 2,559,811
Sales and use	8,816	710,919	-	-	-	2,812,508	-	-	3,532,243
Other taxes:									
Severance taxes	125,721	-	-	-	-	-	-	-	125,721
Franchise taxes	65,908	-	-	-	-	-	-	-	65,908
Other taxes	153,073	-	-	-	-	-	-	-	153,073
Licenses and permits	86,510	-	-	-	-	-	-	-	86,510
Intergovernmental funds:									
Federal government grants	842,094	-	-	-	-	-	913,653	501,320	2,257,067
State government grants	82,839	391,120	-	-	-	-	-	-	473,959
State government shared revenue	352,480	56,436	25,428	12,553	-	-	-	-	446,897
Charges for services	28,871	2,848	-	293,073	7,965	2,329	-	19,493	354,579
Fines and forfeitures	1,136	-	-	-	25,301	-	-	1,755	28,192
Investment earnings	108,005	15,269	6,530	1,047	304	101,946	-	2,615	235,716
Other revenues	54,119	-	-	-	410	-	-	4	54,533
Total revenues	<u>2,562,415</u>	<u>2,116,026</u>	<u>461,321</u>	<u>579,415</u>	<u>33,980</u>	<u>2,916,783</u>	<u>913,653</u>	<u>790,616</u>	<u>10,374,209</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	GENERAL	ROAD MAINTENANCE	DRAINAGE MAINTENANCE	BUILDING MAINTENANCE	CRIMINAL COURT	SOLID WASTE	AMERICAN RESCUE PLAN	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
EXPENDITURES									
Current:									
General government:									
Judicial	275,789	-	-	16,429	364,792	-	-	21,588	678,598
Elections	21,810	-	-	-	-	-	-	-	21,810
Other general government	1,102,797	-	-	355,418	-	-	80,074	617,180	2,155,469
Public safety	558,259	35	-	116,865	-	-	-	-	675,159
Flood Control	-	-	272,314	-	-	-	-	-	272,314
Highways and streets	-	1,412,690	-	-	-	-	-	-	1,412,690
Sanitation	20,264	-	-	-	-	1,783,453	-	-	1,803,717
Health and welfare	784,643	-	-	-	-	-	-	102,578	887,221
Economic development and assistance	4,425	-	-	-	-	-	-	75,584	80,009
Debt service	-	171,548	41,158	-	-	4,573	-	-	217,279
Capital outlay	-	271,137	11,172	77,544	-	11,172	475,430	-	846,455
Total expenditures	<u>2,767,987</u>	<u>1,855,410</u>	<u>324,644</u>	<u>566,256</u>	<u>364,792</u>	<u>1,799,198</u>	<u>555,504</u>	<u>816,930</u>	<u>9,050,721</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES									
	<u>(205,572)</u>	<u>260,616</u>	<u>136,677</u>	<u>13,159</u>	<u>(330,812)</u>	<u>1,117,585</u>	<u>358,149</u>	<u>(26,314)</u>	<u>1,323,488</u>
OTHER FINANCING SOURCES (USES)									
Interfund transfers in	358,149	-	-	-	-	-	-	115,860	474,009
Proceeds from general long-term debt issuance	-	178,073	-	-	-	-	-	-	178,073
Interfund transfers out	(115,860)	-	-	-	-	-	(358,149)	-	(474,009)
Total other financing sources (uses)	<u>242,289</u>	<u>178,073</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(358,149)</u>	<u>115,860</u>	<u>178,073</u>
Net change in fund balances	36,717	438,689	136,677	13,159	(330,812)	1,117,585	-	89,546	1,501,561
Fund balances (deficits) at beginning of year, restated	100,804	2,423,312	2,664,266	(268,672)	(681,545)	4,764,621	-	1,612,539	10,615,325
Fund balances (deficits) at end of year	<u>\$ 137,521</u>	<u>\$ 2,862,001</u>	<u>\$ 2,800,943</u>	<u>\$ (255,513)</u>	<u>\$ (1,012,357)</u>	<u>\$ 5,882,206</u>	<u>\$ -</u>	<u>\$ 1,702,085</u>	<u>\$ 12,116,886</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Net change in fund balances - total governmental funds	\$ 1,501,561
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay and other expenditures being capitalized	846,455
Depreciation and amortization	(804,082)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Current year deferred inflows	442,325
Prior year deferred inflows	(297,687)
<p>Governmental funds report the issuance of long-term debt as an other source. However, in the government-wide financial statements, proceeds from the issuance of long-term debt is not treated as an other source but instead increases long-term debt on the Statement of Net Position.</p>	
Proceeds from leases	(178,073)
<p>Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position</p>	
Principal paid on leases	178,139
<p>Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.</p>	
Pension expense	(98,250)
Nonemployer contributions	11,993
Change in net position of governmental activities	<u>\$ 1,602,381</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Morehouse Parish Police Jury (the "Jury") is the governing authority for Morehouse Parish and is a political subdivision of State of Louisiana. The Jury is governed by seven compensated jurors representing, by election, the various districts within the parish. The jurors serve four-year terms that expired on December 31, 2023.

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

The parish is located in northeast Louisiana and its population is approximately 24,300. Approximately 540 miles of roads are maintained by the parish. The Jury employs approximately 60 people. In accomplishing its objectives, the Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, and health care facilities.

Reporting Entity

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

The police jury also has the authority to create special districts (component units) within the parish to help in fulfilling its functions. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, a legally separate entity is considered a component unit of the police jury if at least one of the following criteria is met:

- The police jury appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the police jury.
- The entity is fiscally dependent on the police jury.
- The nature and significance of the relationship between the police jury and the entity is such that exclusion would cause the financial statements of the police jury to be misleading or incomplete.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under provisions of this Statement, the police jury is considered a primary government since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

Reporting Entity (Continued)

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

Component Units:	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Morehouse Parish:		
Assessor	December 31	2
Communications District	December 31	1
Council on Aging, Inc.	June 30	2
Economic Development Corporation	September 30	3
Library	December 31	2 & 3
Sales and Use Tax Commission	June 30	1
Tourist Commission	December 31	3
Bastrop Fire District Two	December 31	1
Bayou Bonne Idee Gravity Drainage District	December 31	1
Bayou Desiard and Bayou Bartholomew Loop		
Water Conservation Board	December 31	1
Consolidated Waterworks District No. 2	December 31	1
Fourth Judicial District Criminal Court	December 31	3
Ward Two Fire Protection District No. 1	December 31	1
Ward Five Fire Protection District No. 1	December 31	1
Ward Six Fire Protection District No. 1	December 31	1
Ward Eight Fire Protection District No. 1	December 31	1
Ward Ten Fire Protection District No. 1	December 31	1
Morehouse General Hospital Service District		
Morehouse General Hospital	December 31	1
Ward Two Cemetery	December 31	1

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, are included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the Morehouse Parish reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

The primary government financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the primary government (police jury) and include the Fourth Judicial District Criminal Court.

Basis of Presentation

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and sales taxes are assessed, collected and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the police jury by reporting each in a separate column. The police jury does not have any business-type activities at this time.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All capital (long-lived) assets, receivables, and long-term obligations are reported in the Statement of Net Position. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the police jury. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are licenses and permits, fines, lease income, court costs, charges for mowing, and charges for gravesites. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the police jury as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered sixty days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities which are recognized when due.
- The proprietary fund statements include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows. Each statement has a column for each major enterprise fund. The police jury does not have any nonmajor proprietary funds or internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting in order to make a determination of net income, financial position, and cash flows. The police jury does not currently have any proprietary funds.

Although the financial statements presented in each of these three schedules contain “total” columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least ten percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the form of a single set of notes to the financial statements.

The police jury's current year financial statements include the following major governmental funds:

The General Fund is the police jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road Maintenance Fund constructing, maintaining, and repairing public roads and bridges in the parish.

The Drainage Maintenance Fund accounts for the maintenance of drainage canals and ditches in the parish and for acquiring, maintaining, and/or operating drainage machinery equipment.

The Building Maintenance Fund accounts for the constructing, repairing, renovating, equipping, maintaining, and operating public buildings in the parish.

The Solid Waste Fund accounts for the constructing, acquiring, maintaining, improving, and operating a solid waste collection and disposal system for the parish and the constructing, maintaining, and improving roads and bridges in the parish.

The American Rescue Plan Fund accounts for funds received under the federal American Rescue Plan Act.

The Criminal Court Fund accounts for the operation of the Fourth Judicial District Criminal Court in the parish.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances

Cash and Investments

The police jury's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the police jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Currently, investments include short-term certificates of deposit with local banks, investments in the Louisiana Asset Management Pool, and investments with an investment service institution. Investments for the police jury are reported at fair value.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the Fund that holds the investment.

Receivables and Payables

Activity between funds that is outstanding at the end the fiscal year is referred to as either “due to or from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” All internal balances are eliminated in the total primary government column. Receivables include all amounts susceptible to accrual that have not been collected at December 31 but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned but not collected at December 31. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Morehouse Parish Sheriff bills and collects the police jury’s property taxes using the assessed value determined by the assessor of Morehouse Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2023, taxes of 17.98 mills were levied on property with assessed valuations totaling \$211,888,211 as follows:

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances (Continued)

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General corporate purposes	6.66	6.66	Indefinite
Road maintenance	5.58	5.58	2028
Drainage maintenance	2.55	2.55	2027
Public buildings - construction, repairing, renovating, etc.	1.02	1.02	2027
Public buildings - maintenance & operations	0.60	0.60	2025
Health unit	1.00	1.00	2031
Agriculture center	0.57	0.57	2026

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

On October 24, 2015, voters approved a renewal of the public buildings tax, for the maintenance and operations of the buildings, for 0.60 mill beginning 2016 and ending in 2025. On March 5, 2016, voters approved a renewal of the agriculture center tax for 0.57 mill beginning 2017 and ending in 2026. On April 24, 2017, voters approved a renewal of the road maintenance tax for 5.58 mill beginning 2019 and ending in 2028, the public buildings tax for 1.02 mill beginning 2018 and ending in 2027, and the drainage tax for 2.55 mills beginning 2018 and ending in 2027. On April 24, 2021, voters approved a renewal of the health unit tax for 1.00 mill beginning 2022 and ending in 2031.

The following are the principal taxpayers for the parish and their 2023 assessed valuation (amounts expressed in thousands):

	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>	<u>Taxes</u>
Entergy Louisiana Holdings, Inc.	\$ 7,702,810	3.64%	\$ 734,642
Texas Gas Transmission Corp.	7,484,700	3.53%	712,349
Morehouse Bioenergy, LLC	6,599,651	3.11%	609,958
Union Pacific Railroad Company	5,217,590	2.46%	500,736
Tennessee Gas Pipeline Company, LLC	4,225,546	1.99%	398,460
Kennedy Rice Mill, LLC	3,325,302	1.57%	336,601
Gulf South Pipeline Company, LLC	3,262,500	1.54%	328,910
Kennedy Rice Dryers, LLC	3,133,184	1.48%	315,671
Midcontinent Express Pipeline, LLC	2,536,250	1.20%	256,230
Southern Natural Gas Co.	2,773,390	1.31%	240,482
Total	<u>\$ 46,260,923</u>	<u>21.83%</u>	<u>\$ 4,434,039</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

On October 2, 2010, voters of the parish renewed a half (1/2) percent sales tax for the construction, reconstruction, repair, maintenance, and improvements for roads, bridges, and related drainage improvements. On December 6, 2014, voters of the parish renewed a half (1/2) percent sales tax for the construction, acquisition, maintenance, improvements, and operation of a solid waste collection and disposal system for parish, including the closing of existing landfills. By an agreement between the police jury and the Morehouse Parish School Board, the school board serves as the collection agent for the sales tax. The school board receives three percent of all taxes collected in return for its services as the police jury's collection agent.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level; fixed assets of enterprise funds are reported in the respective funds. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The police jury's capitalization threshold is \$1,000. For reporting purposes, the police jury defines capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and improvements and 10-40 years for depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction-in-progress is not depreciated.
- Movable property (furniture, equipment, and vehicles) consists of assets that are not fixed or stationary in nature. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- Infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure is depreciated using the straight-line method with an estimated useful life of 30 to 40 years.
- Purchased computer software is depreciated using the straight-line method over an estimated useful life of 3 years.
- Donated capital assets are recorded at their estimated fair value at the date of donation.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated absences

The following policies relating to vacation and sick leave are currently in effect:

Full-time employees of the Jury earn from one to five weeks of annual leave each anniversary year of employment, depending on length of service. Five personal holidays are earned each calendar year by full-time employees. Employees may not accumulate annual leave or personal holidays. Upon resignation or retirement, employees are compensated for annual leave earned but not taken during the current anniversary year of employment at the employee's current rate of pay

Estimated accrued compensated absences resulting from unused annual leave at the end of the fiscal year are recorded in the government-wide financial statements as long-term liabilities. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits or personal holidays upon termination of employment. Compensated absences are paid from the fund responsible for the employee's compensation.

The entire compensated absence liability, determined in accordance with the provisions of GASB Codification Section C60, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental funds.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net position. Individual funds have been used to liquidate other long-term liabilities such as compensated absences, claims and litigation payable, etc. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund balances are reported under the following fund balance classifications:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or are legally or contractually required to be maintained intact.
Restricted	Includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes amounts that can only be used for specific purposes pursuant to constraints that are internally imposed by the government through formal action of the police jury and does not lapse at year-end.
Assigned	Includes amounts that are constrained by the police jury's intent to be used for specific purposes that are neither considered restricted nor committed.
Unassigned	Includes amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. Negative fund balances in other governmental funds can also be classified as unassigned.

The remainder of the page is intentionally blank.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The police jury has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, and unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the general policy of the police jury is to use committed resources first, followed by assigned, and then unassigned. The use of restricted/committed resources may be deferred based on a review of the specific transaction.

The difference between assets and liabilities is “net position” on the government-wide, proprietary, and fiduciary fund statements. Net position is segregated into three categories on the government-wide statement of net position:

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 attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations. The police jury first uses restricted net position for expenses incurred when both restricted and unrestricted net position are available for use. The use of restricted net position may be deferred based on a review of the specific transaction.

Unrestricted net position – The balance of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

Use of estimates

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - STEWARDSHIP

The following presents a summary of major funds' budget variances for the year ended December 31, 2023:

Fund	Revenues and Other Sources			Expenditures and Other Uses		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 2,540,129	\$ 2,920,564	\$ 380,435	\$ 2,681,415	\$ 2,883,847	\$ (202,432)
Road Maintenance	1,426,000	2,116,026	690,026	1,950,047	1,677,337	272,710
Drainage Maintenance	425,500	461,321	35,821	574,252	324,644	249,608
Building Maintenance	263,000	579,415	316,415	243,000	566,256	(323,256)
Solid Waste	2,004,150	2,916,783	912,633	1,765,459	1,799,198	(33,739)
Criminal Court	378,190	33,980	(344,210)	378,190	364,792	13,398
Total	<u>\$ 4,654,629</u>	<u>\$ 6,077,326</u>	<u>\$ 1,422,697</u>	<u>\$ 5,448,714</u>	<u>\$ 5,452,084</u>	<u>\$ (3,370)</u>

Unfavorable expenditure variances in the General Fund, the Building Maintenance Fund, and the Criminal Court Fund exceeded five percent of the amounts originally budgeted. In accordance with the Louisiana Local Government Budget Act, management is required to notify the Police Jury when it appears that (1) actual revenues and other financing sources will be at least five percent less than budgeted, or (2) actual expenditures and other financing uses will exceed budgeted amounts by five percent or more.

NOTE 3 - CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the police jury's deposits may not be returned to it. The police jury's policy (not a formal written policy) to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent bank has failed to pay deposited funds upon demand.

At December 31, 2023, the police jury has cash and cash equivalents (book balances) as follows:

Demand deposits	\$ 12,518,153
Time deposits	<u>540,000</u>
Total	<u>\$ 13,058,153</u>

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

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2023, the police jury's bank balances were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 950,000
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	12,528,185
Total balances exposed to custodial credit risk	<u>12,528,185</u>
Total bank balances	<u><u>\$ 13,478,185</u></u>

NOTE 4 - RECEIVABLES

The receivables at December 31, 2023, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 579,194	\$ -	\$ 140,580	\$ -	\$ -	\$ 719,774
Road Fund	858,862	-	56,810	-	-	915,672
Drainage Fund	386,397	-	25,428	-	-	411,825
Maintenance Building Fund	225,260	-	32,786	-	-	258,046
Solid Waste	272,575	-	-	-	-	272,575
Other Governmental	206,982	-	30,575	-	-	237,557
Total	<u><u>\$ 2,529,270</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 286,179</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,815,449</u></u>

The remainder of the page is intentionally blank.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5 - INTERFUND TRANSFERS AND BALANCES

Interfund transfers for the year ended December 31, 2023, were primarily to match grant funds.

The following details interfund balances as of December 31, 2023:

	<u>Due From</u>	<u>Due To</u>	<u>Net</u>
General	\$ 890,158	\$ 1,377,722	\$ (487,564)
Road Maintenance	775,689	98,965	676,724
Drainage Maintenance	1,171,796	25,779	1,146,017
Building Maintenance	298,754	861,901	(563,147)
Criminal Court	-	1,011,245	(1,011,245)
Solid Waste	275,700	12,488	263,212
American Rescue Plan	1,186,531	791,322	395,209
Other Governmental	424,721	782,448	(357,727)
Unlocated difference	-	61,479	(61,479)
Total	<u>\$ 5,023,349</u>	<u>\$ 5,023,349</u>	<u>\$ -</u>

NOTE 6 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2023, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 1,137,986	\$ -	\$ -	\$ 1,137,986
Capital assets being depreciated:				
Buildings and improvements	16,600,626	77,544	-	16,678,170
Machinery and equipment	2,501,021	590,838	-	3,091,859
Right-of-use leased asset(s)	765,645	178,073	-	943,718
Total capital assets being depreciated or amortized	<u>19,867,292</u>	<u>846,455</u>	<u>-</u>	<u>20,713,747</u>
Less accumulated depreciation for:				
Buildings and improvements	8,442,064	411,318	-	8,853,382
Machinery and equipment	1,468,309	203,160	-	1,671,469
Right-of-use leased asset(s)	166,091	189,604	-	355,695
Total accumulated depreciation and amortization	<u>10,076,464</u>	<u>804,082</u>	<u>-</u>	<u>10,880,546</u>
Total capital assets being depreciated or amortized, net	<u>9,790,828</u>	<u>42,373</u>	<u>-</u>	<u>9,833,201</u>
Total capital assets, net	<u>\$ 10,928,814</u>	<u>\$ 42,373</u>	<u>\$ -</u>	<u>\$ 10,971,187</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 6 - CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expenses for the year was charged to the following governmental functions:

	<u>Depreciation</u>	<u>Amortization</u>
General government	\$ 191,172	\$ -
Public safety	80,459	-
Flood Control	-	36,350
Highway and street	203,160	149,215
Sanitation	3,282	4,039
Health and welfare	17,187	-
Economic development and assistance	119,218	-
Total	<u>\$ 614,478</u>	<u>\$ 189,604</u>

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Lease liability	\$ 611,473	\$ 178,073	\$ (178,139)	\$ 611,407
Net Pension (Asset)/Liability - PERS	(565,770)	1,061,082	-	495,312
	<u>\$ 45,703</u>	<u>\$ 1,239,155</u>	<u>\$ (178,139)</u>	<u>\$ 1,106,719</u>

The remainder of the page is intentionally blank.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 8 – LEASES

As of December 31, 2023, the Jury had entered into multiple equipment leases having initial or remaining noncancellable terms in excess of one year. In accordance with its accounting policy for leases and pursuant to adoption of GASB Statement No. 87, Leases, the Police Jury records a liability for the present value of lease payments over the lease term for those agreements meeting the capitalization threshold set forth in footnote 1. As of December 31, 2023, such lease agreements consist entirely of equipment having terms from 2 to 5 years having a combined lease liability of \$611,407. In determining the present values, an average discount rate of 5.45% was applied, representing the Police Jury’s estimated incremental borrowing rate for such equipment. The recorded value of the right-to-use assets as of the end of the current fiscal year was \$943,718 and accumulated amortization of these assets was \$355,695. The lease liability future principal and interest components of the lease payments as of December 31, 2023, are as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ 193,192	\$ 31,563	\$ 224,755
2025	171,117	21,078	192,195
2026	140,593	12,784	153,377
2027	99,375	5,160	104,535
2028	7,130	345	7,475

NOTE 9 – RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

All Morehouse Parish Police Jury (Police Jury) employees, who participate in retirement systems, are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined-benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. The Police Jury employees participate in Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials, except coroners, justices of the peace, and parish presidents, are eligible to participate in PERS.

Under Plan A, employees who were hired prior to January 1, 2007, can retire, providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after 7 years of creditable service.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 – RETIREMENT SYSTEM (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

Under Plan A, employees who were hired after January 1, 2007, can retire, providing, he/she meets one of the following criteria:

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

General the monthly retirement allowance for any member of Plan A consists of an amount equal to 3% of the member's monthly average final compensation times years of creditable service. However, under certain conditions (as outlined in the statutes) the benefits are limited to specified amounts. Survivor, death and disability benefits are also provided under the plan.

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for three years and defer the receipt of benefits. During such period, employer contributions continue but employee contributions cease. Monthly benefits that the member would have received during the DROP period are paid into the DROP fund. Interest is earned when the member has completed DROP participation, based on the actual rate of return on the investments identified as DROP funds for the period.

For the year ended December 31, 2022, the actual employer contribution rate was 11.50%, and the actuarially required contribution rate was 7.10%.

The Plan receives ad valorem and state revenue sharing funds as employer contributions and those amounts are considered support from nonemployer contributing entities but are not considered as special funding situations.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of December 31, 2023, the Parish reported a total of \$495,312 for its proportionate shares of the net pension liability of the Plan.

The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Parish's proportion of the net pension liability was based on a projection of the Parish's long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. The Parish's proportions of the Plan as of December 31, 2022, and 2021 were 0.1286930% and 0.120110%, respectively.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 – RETIREMENT SYSTEM (CONTINUED)

For the year ended December 31, 2023, the Parish recognized pension expense of \$203,591. In addition, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Changes in proportion	\$ 1,584	\$ 22,634
Differences between expected and actual experience	18,313	54,571
Changes in assumptions	15,807	-
Net difference between projected and actual earnings on pension plan investments	522,891	-
Contributions subsequent to the measurement date	<u>103,641</u>	<u>-</u>
	<u>\$ 662,236</u>	<u>\$ 77,205</u>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2024	\$ 7,630
2025	74,166
2026	165,186
2027	234,408
2028	-
Thereafter	-

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 – RETIREMENT SYSTEM (CONTINUED)

Actuarial assumptions:

The total pension liabilities in the December 31, 2022, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	2.30%
Salary increases	4.75%
Investment rate of return	6.40%
Actuarial cost method	Entry age normal
Expected remaining service lives	4 years

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Table for active members, Healthy Annuitant Table for healthy annuitants, and General Disabled Retirees Tables for disabled annuitants. The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017.

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

Target asset allocation

The Plan’s target asset allocation and long-term expected rates of return as of December 31, 2022, are as follows:

<u>Asset class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Fixed income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	2%	0.12%
Totals	<u>100%</u>	<u>5.60%</u>
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Return		<u>7.70%</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 – RETIREMENT SYSTEM (CONTINUED)

Sensitivity of the proportionate share of the net pension liabilities to changes in the discount rate:

The following presents the proportionate share of the net pension liability of the plan, calculated using the discount rates as shown above, as well as what the proportionate share of the net pension liability (net pension asset) would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>1%</u> <u>Decrease (5.4%)</u>	<u>Current Discount</u> <u>Rate (6.4%)</u>	<u>1%</u> <u>Increase (7.4%)</u>
\$ <u>1,224,924</u>	\$ <u>495,312</u>	\$ <u>(116,374)</u>

Pension plan fiduciary net position:

Detailed information about the Plan’s fiduciary net position is available in the separately issued financial statements of the Plan.

NOTE 10 - RISK MANAGEMENT

The police jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; liability; and injuries to employees and others. To handle such risk of loss, the police jury maintains commercial insurance policies covering: automobile liability and medical payments, workers’ compensation, general liability, and surety bond coverage on the secretary/treasurer and other employees handling money. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amounts.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

In July 2013, the Jury approved joining the Louisiana Rural Parish Insurance Cooperative (LRPIC). LRPIC has 12 members and provides risk management, insurance, loss control, and claims management services to all members. The self-insured retention is a per occurrence retention and does not reduce the applicable limit of liability. Liability limits apply per member. Only one retention applies in the event of multiple casualty losses.

The Morehouse Parish Police Jury is a defendant in various lawsuits arising in the normal course of operations. At this time, management estimates that the potential exposure related to these matters could range from \$50,000 to \$110,000. The Police Jury intends to vigorously defend its position in these cases. Management expects that any such losses will be covered by insurance. Accordingly, no amounts have been accrued in the financial statements for these matters.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2023, may be impaired. In the opinion of the Jury's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

In connection with grant agreements, the Jury often signs construction contracts and professional services contracts. As of December 31, 2023, the Jury has several such contracts in progress that will require future payments whether from grant funds or matching funds.

NOTE 12 – DEFICIT FUND BALANCES

At December 31, 2023, the following special revenue funds had deficit fund balances:

Building Maintenance Fund: The unassigned fund balance is in deficit by \$255,513. This fund has historically carried a deficit.

Criminal Court Fund: The unassigned fund balance is in deficit by \$1,012,357. Management plans to alleviate the annual deficit by requesting allocations from the District Attorney's office, which is normal practice for the Jury.

APRA Fund: The unassigned fund balance is in deficit by \$527,404. Management has identified errors in this fund. Correction of such errors should resolve the deficit in 2024.

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 17, 2026, the date on which the financial statements were available to be issued.

During 2025, it was discovered by the auditors that cash was borrowed from the collections for permits. Though it was repaid, the action still constitutes fraud.

During 2025, an incident occurred at a property owned by the police jury that has resulted in a civil lawsuit.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 14 – GRANTS

<u>Grantor</u>	<u>Program</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>
HUD	CDBG	Love Louisiana Outdoors Program - Fair Grounds Park	\$ -	\$ 34,800
HUD	CDBG	HVAC	501,320	582,380
HUD	Section 8	Housing Voucher Program	842,094	784,643
Treasury	ARPA	American Rescue Plan Act - Courthouse HVAC Replacement and other	885,553 *	990,426
OHSEP		Emergency Preparedness	28,100	-
		Total federal	<u>2,257,067</u>	<u>\$ 2,392,249</u>
DOA	CWEF	Potable Water Improvements	75,000	
DOTD	PTA	Parish Transportation Act	391,120	
		Other	7,839	
		Total state	<u>473,959</u>	
		Local	-	
		Total grant revenue	<u>\$ 2,731,026</u>	

*Revenue has not been recognized for all of the expenditures.

NOTE 15 – NEW ACCOUNTING STANDARDS

GASB Statement No. 99, *Omnibus 2022*, was issued April 2022. The requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, *Accounting Changes And Error Corrections—An Amendment Of GASB Statement No. 62* was issued June 2022.- The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 101, *Compensated Absences* was issued June 2022. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, *Certain Risk Disclosures*, was issued December 2023. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following (1) the concentration or constraint, (2) each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements, and (3) actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 16 – PRIOR PERIOD ADJUSTMENTS

Management was unable to roll forward equity due to many issues occurring during the year making bookkeeping more challenging. Therefore, after adjusting beginning balances to the best of their ability, management considered the remaining differences to be prior period adjustments.

	Beginning Balance, as Previously Stated	Prior Period Adjustment	Beginning Balance, as Restated
Governmental Activities	\$ 21,359,481	\$ 46,848	21,406,329
	Beginning Balance, as Previously Stated	Prior Period Adjustment	Beginning Balance, as Restated
General Fund	\$ 68,193	\$ 32,611	\$ 100,804
Road Maintenance	2,419,000	4,312	2,423,312
Drainage Maintenance	2,664,066	200	2,664,266
Building Maintenance	(273,755)	5,083	(268,672)
Solid Waste	4,759,596	5,025	4,764,621
American Rescue Plan Act	-	-	-
Health Unit	1,264,438	(45)	1,264,393
Criminal Court	(681,545)	-	(681,545)
Agriculture Center	223,343	(339)	223,004
Witness Fee	101,079	-	101,079
Industrial Development	(55)	-	(55)
Juror Fee	24,118	-	24,118
LCDBG	-	-	-
	<u>\$ 10,568,478</u>	<u>\$ 46,847</u>	<u>\$ 10,615,325</u>

Required Supplemental Information (Part II)

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer prior to December 31 of each year. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. Notice of the location and the availability of the proposed budgets for public inspection and the date of the public hearing to be conducted on the budgets are then advertised in the official journal of the Jury. Prior to its regular December meeting, the Jury conducts a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Jury as a whole. The budgets are then adopted during a December meeting and notice of adoption, that includes budget summaries, is published in the official journal.

The secretary/treasurer presents necessary budget amendments to the Jury during the year when, in her judgement, actual operations differ materially from those anticipated in the original budget. During a regular meeting, the Jury reviews the proposed amendments, makes changes as it deem necessary, and formally adopts the amendments as it deems necessary. The formal adoption of amendments is included in the Jury's minutes published in the Jury's official journal.

The Jury adopted annual budgets for all of the governmental funds on December 22, 2022. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. Final amendments were approved by the Jury on December 28, 2023. Final amended budget amounts included in budget comparison reports prepared by the secretary/treasurer are reflected in the financial statements. All annual appropriations lapse at fiscal year-end.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		WITH FINAL BUDGET
REVENUES				
Taxes:				
Ad valorem	\$ 590,000	\$ 590,000	\$ 652,843	\$ 62,843
Sales and use	6,400	6,400	8,816	2,416
Other taxes				
Severance taxes	135,000	135,000	125,721	(9,279)
Franchise taxes	60,000	60,000	65,908	5,908
Other taxes	130,000	130,000	153,073	23,073
Licenses and permits	80,000	80,000	86,510	6,510
Intergovernmental funds:				
Federal government grants	650,000	900,000	842,094	(57,906)
State government grants	-	-	82,839	82,839
State government shared revenue	228,618	290,000	352,480	62,480
Charges for services	26,300	26,300	28,871	2,571
Fines and forfeitures	-	-	1,136	1,136
Investment earnings	6,000	6,000	108,005	102,005
Other revenues	29,100	29,100	54,119	25,019
Total revenues	<u>1,941,418</u>	<u>2,252,800</u>	<u>2,562,415</u>	<u>309,615</u>
EXPENDITURES				
Current:				
General government:				
Judicial	145,360	336,165	275,789	60,376
Elections	1,000	16,000	21,810	(5,810)
Other general government	535,346	555,346	1,102,797	(547,451)
Public safety	555,102	616,484	558,259	58,225
Sanitation	21,800	21,800	20,264	1,536
Health and welfare	650,000	900,000	784,643	115,357
Economic development and assistance	10,620	10,620	4,425	6,195
Total expenditures	<u>1,919,228</u>	<u>2,456,415</u>	<u>2,767,987</u>	<u>(311,572)</u>
Excess (deficiency) of revenues over expenditures	<u>22,190</u>	<u>(203,615)</u>	<u>(205,572)</u>	<u>621,187</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	287,329	358,149	70,820
Interfund transfers out	-	(225,000)	(115,860)	(109,140)
Total other financing sources (uses)	<u>-</u>	<u>62,329</u>	<u>242,289</u>	<u>179,960</u>
Net change in fund balance	22,190	(141,286)	36,717	178,003
Fund balance (deficit) at beginning of year	(586,807)	(611,507)	100,804	712,311
Fund balance (deficit) at end of year	<u>\$ (564,617)</u>	<u>\$ (752,793)</u>	<u>\$ 137,521</u>	<u>\$ 890,314</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem	\$ 862,000	\$ 862,000	\$ 939,434	\$ 77,434
Sales and use	148,000	148,000	710,919	562,919
Intergovernmental funds:				
State government grants	356,000	356,000	391,120	35,120
State government shared revenue	60,000	60,000	56,436	(3,564)
Charges for services	-	-	2,848	2,848
Investment earnings	-	-	15,269	15,269
Total revenues	<u>1,426,000</u>	<u>1,426,000</u>	<u>2,116,026</u>	<u>690,026</u>
EXPENDITURES				
Current:				
General government:				
Public safety	-	-	35	(35)
Highways and streets	1,261,047	1,500,047	1,412,690	87,357
Debt service	-	-	171,548	(171,548)
Capital outlay	450,000	450,000	93,064	356,936
Total expenditures	<u>1,711,047</u>	<u>1,950,047</u>	<u>1,677,337</u>	<u>272,710</u>
Net change in fund balance	(285,047)	(524,047)	438,689	962,736
Fund balance (deficit) at beginning of year	<u>1,993,291</u>	<u>1,993,291</u>	<u>2,423,312</u>	<u>430,021</u>
Fund balance (deficit) at end of year	<u>\$ 1,708,244</u>	<u>\$ 1,469,244</u>	<u>\$ 2,862,001</u>	<u>\$ 1,392,757</u>
Expenses per budget statement above			\$ 1,677,337	
Plus expenses from implementation of GASB 87			178,073	
Revenues per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 1,855,410</u>	
Other sources per budget statement above			\$ -	
Plus proceeds from issuance from implementation of GASB 87			178,073	
Revenues per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 178,073</u>	

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - DRAINAGE MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem	\$ 394,000	\$ 394,000	\$ 429,363	\$ 35,363
Intergovernmental funds:				
State government shared revenue	27,500	27,500	25,428	(2,072)
Investment earnings	3,000	3,000	6,530	3,530
Other revenues	1,000	1,000	-	(1,000)
Total revenues	<u>425,500</u>	<u>425,500</u>	<u>461,321</u>	<u>35,821</u>
EXPENDITURES				
Current:				
Flood Control	574,252	574,252	272,314	301,938
Debt service	-	-	41,158	(41,158)
Capital outlay	-	-	11,172	(11,172)
Total expenditures	<u>574,252</u>	<u>574,252</u>	<u>324,644</u>	<u>249,608</u>
Net change in fund balance	(148,752)	(148,752)	136,677	285,429
Fund balance (deficit) at beginning of year	2,712,929	2,712,929	2,664,266	(48,663)
Fund balance (deficit) at end of year	<u>\$ 2,564,177</u>	<u>\$ 2,564,177</u>	<u>\$ 2,800,943</u>	<u>\$ 236,766</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - BUILDING MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem	\$ 250,000	\$ 250,000	\$ 272,742	\$ 22,742
Intergovernmental funds:				
State government shared revenue	13,000	13,000	12,553	(447)
Charges for services	-	-	293,073	293,073
Investment earnings	-	-	1,047	1,047
Total revenues	<u>263,000</u>	<u>263,000</u>	<u>579,415</u>	<u>316,415</u>
EXPENDITURES				
Current:				
General government:				
Judicial	16,000	16,000	16,429	(429)
Other general government	227,000	227,000	355,418	(128,418)
Public safety	-	-	116,865	(116,865)
Capital outlay	-	-	77,544	(77,544)
Total expenditures	<u>243,000</u>	<u>243,000</u>	<u>566,256</u>	<u>(323,256)</u>
Net change in fund balance	20,000	20,000	13,159	(6,841)
Fund balance (deficit) at beginning of year	(318,352)	(318,352)	(268,672)	49,680
Fund balance (deficit) at end of year	<u>\$ (298,352)</u>	<u>\$ (298,352)</u>	<u>\$ (255,513)</u>	<u>\$ 42,839</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SOLID WASTE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Sales and use	\$ 2,000,000	\$ 2,000,000	\$ 2,812,508	\$ 812,508
Charges for services	4,000	4,000	2,329	(1,671)
Investment earnings	150	150	101,946	101,796
Total revenues	<u>2,004,150</u>	<u>2,004,150</u>	<u>2,916,783</u>	<u>912,633</u>
EXPENDITURES				
Current:				
Sanitation	1,685,459	1,690,459	1,783,453	(92,994)
Debt service	-	-	4,573	(4,573)
Capital outlay	75,000	75,000	11,172	63,828
Total expenditures	<u>1,760,459</u>	<u>1,765,459</u>	<u>1,799,198</u>	<u>(33,739)</u>
Net change in fund balance	243,691	238,691	1,117,585	878,894
Fund balance (deficit) at beginning of year	4,361,056	4,361,056	4,764,621	403,565
Fund balance (deficit) at end of year	<u>\$ 4,604,747</u>	<u>\$ 4,599,747</u>	<u>\$ 5,882,206</u>	<u>\$ 1,282,459</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - CRIMINAL COURT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Charges for services	\$ 1,500	\$ 1,500	\$ 7,965	6,465
Fines and forfeitures	40,000	40,000	25,301	(14,699)
Investment earnings	-	-	304	304
Other revenues	-	-	410	410
Total revenues	41,500	41,500	33,980	(7,520)
EXPENDITURES				
Current:				
General government:				
Judicial	378,190	378,190	364,792	13,398
Total expenditures	378,190	378,190	364,792	13,398
Excess of revenues over expenditures	(336,690)	(336,690)	(330,812)	(20,918)
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	336,690	336,690	-	(336,690)
Net change in fund balance	-	-	(330,812)	(330,812)
Fund balance at beginning of year	(371,450)	(371,450)	(681,545)	(310,095)
Fund balance at end of year	\$ (371,450)	\$ (371,450)	\$ (1,012,357)	\$ (640,907)

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT NO. 68 - PERS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Schedule of Employer's Proportionate Share of Net Pension Liability (Asset):

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net pension as a percentage of the total pension liability (asset)
2015	0.164384%	\$ 44,944	\$ 921,379	4.88%	99.15%
2016	0.164384%	\$ 49,208	\$ 977,365	45.96%	92.23%
2017	0.176827%	\$ 364,178	\$ 1,048,680	34.73%	945.15%
2018	0.156858%	\$ (116,427)	\$ 965,485	-12.06%	101.98%
2019	0.153126%	\$ 679,628	\$ 941,363	72.20%	88.86%
2020	0.155578%	\$ 7,324	\$ 986,490	0.74%	99.89%
2021	0.159599%	\$ (279,843)	\$ 1,065,963	-26.25%	104.00%
2022	0.120110%	\$ (565,770)	\$ 800,948	-70.64%	110.45%
2023	0.128693%	\$ 495,312	\$ 848,738	58.36%	116.90%

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

Schedule of Employer Contributions:

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 148,013	\$ 148,013	\$ -	\$ 921,379	16.06%
2016	\$ 142,889	\$ 142,889	\$ -	\$ 977,365	14.62%
2017	\$ 136,920	\$ 136,920	\$ -	\$ 1,048,680	13.06%
2018	\$ 120,686	\$ 120,686	\$ -	\$ 965,485	12.50%
2019	\$ 108,256	\$ 108,256	\$ -	\$ 941,363	11.50%
2020	\$ 113,446	\$ 113,446	\$ -	\$ 986,490	11.50%
2021	\$ 130,581	\$ 130,581	\$ -	\$ 1,065,963	12.25%
2022	\$ 98,718	\$ 98,718	\$ -	\$ 800,948	12.25%
2023	\$ 100,399	\$ 100,399	\$ -	\$ 848,738	11.83%

Other Supplemental Schedules

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS –
COMBINING SCHEDULES – FUND DESCRIPTIONS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

Health Unit Fund

The Health Unit Fund accounts for the construction and maintenance of the health unit.

Agriculture Center Fund

The Police Jury owns and operates the building that houses the Morehouse Parish Extension office of the LSU Agriculture Department. The related expenses are covered by a millage that was authorized by voters for this purpose.

Witness Fee Fund

The Witness Fee Fund accounts for witness fees as provided by Louisiana Revised Statute 15:255. Witness fees are paid from special court costs levied in criminal cases and fund the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal court cases.

Industrial Development Fund

In 2022, the Jury received funds related to the Oak Ridge Solar project to be held on behalf of the Industrial development Board until such time that the Board selected an economic development project to use the funds.

Juror Fee Fund

The Juror Fee Fund is used for payments to citizens in trial court matters for their service as juror. This payment is funded by a special court cost for this purpose.

Louisiana Community Development Block Grant Fund

The LCDBG Fund for grants received from the Louisiana Community Development Block Grant program and expenditures related to those grants.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2023**

ASSETS	HEALTH UNIT	AGRICULTURE CENTER	WITNESS FEE	INDUSTRIAL DEVELOPMENT	JUROR FEE	LCDBG	TOTAL
Cash and cash equivalents	\$ 836,311	\$ 170,298	\$ 108,945	\$ -	\$ 16,009	\$ 736,299	\$ 1,867,862
Receivables	151,591	85,966	-	-	-	-	237,557
Due from other funds	412,349	-	-	-	4,572	7,800	424,721
TOTAL ASSETS	\$ 1,400,251	\$ 256,264	\$ 108,945	\$ -	\$ 20,581	\$ 744,099	\$ 2,530,140
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
Liabilities:							
Accounts, salaries and other payables	\$ 5,760	\$ 3,491	\$ -	\$ 55	\$ -	\$ 7,800	\$ 17,106
Due to other funds	41,548	-	-	31	4,570	736,299	782,448
Total liabilities	47,308	3,491	-	86	4,570	744,099	799,554
Deferred inflows:							
Unavailable ad valorem tax revenue	20,123	8,378	-	-	-	-	28,501
Fund Balances:							
Restricted fund balances	1,332,820	244,395	108,945	-	16,011	-	1,702,171
Unassigned fund balances	-	-	-	(86)	-	-	(86)
Total fund balances	1,332,820	244,395	108,945	(86)	16,011	-	1,702,085
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 1,400,251	\$ 256,264	\$ 108,945	\$ -	\$ 20,581	\$ 744,099	\$ 2,530,140

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	HEALTH UNIT	AGRICULTURE CENTER	WITNESS FEE	INDUSTRIAL DEVELOPMENT	JUROR FEE	LCDBG	TOTAL
REVENUES							
Taxes:							
Ad valorem	\$ 168,485	\$ 96,944	\$ -	\$ -	\$ -	\$ -	\$ 265,429
Intergovernmental funds:							
Federal government grants	-	-	-	-	-	501,320	501,320
Charges for services	-	-	7,829	-	11,664	-	19,493
Fines and forfeitures	-	-	692	-	1,063	-	1,755
Investment earnings	2,520	-	95	-	-	-	2,615
Other revenues	-	-	-	-	4	-	4
Total revenues	<u>171,005</u>	<u>96,944</u>	<u>8,616</u>	<u>-</u>	<u>12,731</u>	<u>501,320</u>	<u>790,616</u>
EXPENDITURES							
Current:							
General government:							
Judicial	-	-	750	-	20,838	-	21,588
Other general government	-	-	-	-	-	617,180	617,180
Health and welfare	102,578	-	-	-	-	-	102,578
Economic development and assistance	-	75,553	-	31	-	-	75,584
Total expenditures	<u>102,578</u>	<u>75,553</u>	<u>750</u>	<u>31</u>	<u>20,838</u>	<u>617,180</u>	<u>816,930</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>68,427</u>	<u>21,391</u>	<u>7,866</u>	<u>(31)</u>	<u>(8,107)</u>	<u>(115,860)</u>	<u>(26,314)</u>
OTHER FINANCING SOURCES (USES)							
Interfund transfers in	-	-	-	-	-	115,860	115,860
Net change in fund balances	68,427	21,391	7,866	(31)	(8,107)	-	89,546
Fund balances (deficits) at beginning of year, restated	1,264,393	223,004	101,079	(55)	24,118	-	1,612,539
Fund balances (deficits) at end of year	<u>\$ 1,332,820</u>	<u>\$ 244,395</u>	<u>\$ 108,945</u>	<u>\$ (86)</u>	<u>\$ 16,011</u>	<u>\$ -</u>	<u>\$ 1,702,085</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2023**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation.

Terry R. Matthews, President	\$ 10,200
Norwood Harrison	10,200
Jason Crockett	9,600
Harry Reese, Sr.	9,600
Dorothy Thomas	9,600
Kenneth Dye	9,600
James Ellingburg	9,600
Total	<u>\$ 68,400</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2023**

The schedule of compensation, benefits, reimbursements, and other payments paid to or on behalf of the agency head is presented in compliance with Act 706 of the 2014 Session of the Louisiana Legislature. These expenditures are included in the general government – financial and administrative expenditures of the General Fund.

Terry Matthews, Parish President

Compensation	\$	10,200
Benefits:		
Social Security		632
Medicare		148

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
FOR THE YEAR ENDED DECEMBER 31, 2023**

	First Six Month Period Ended 06/30/23	Second Six Month Period Ended 12/31/23
Receipts From:		
Morehouse Parish Sheriff, Criminal Fines	\$ -	\$ -
Morehouse Parish Sheriff, Witness Fees	4,504	4,607
Morehouse Parish Sheriff, Juror Fees	6,449	6,589
Morehouse Parish Sheriff, Coroner Fees	645	514
Total Receipts	11,599	11,709
Ending Balance of Amounts Assessed but Not Received <i>(only applies to those agencies that assess on behalf of themselves, such as courts)</i>	-	-

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Name of Grant Grant ID No.</i>	<i>Pass-through</i>	<i>Federal Expenditures</i>
<i>Housing Voucher Cluster-Cluster</i>					
Department of Housing and Urban Development					
Section 8 Housing Choice Vouchers	14.871	N/A		\$ 784,643	\$ 784,643
<i>Total Housing Voucher Cluster-Cluster</i>					<u>784,643</u>
<i>Other Programs</i>					
Department of Housing and Urban Development					
Community Development Block Grants/State's Program	14.228	Division of Administration/ 2000673759	HVAC	-	<u>582,380</u>
Total Community Development Block Grants/State's Program					<u>582,380</u>
<i>Total Department of Housing and Urban Development</i>					<u>582,380</u>
Department of Treasury					
Coronavirus State and Local Fiscal Recovery Funds (Single or Program-specific Audit)	21.027				<u>990,426</u>
<i>Total Department of Treasury</i>					<u>990,426</u>
<i>Total Other Programs</i>					<u>1,572,806</u>
<i>Total Expenditures of Federal Awards</i>				<u>\$ 784,643</u>	<u>\$ 2,357,449</u>

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTES:

General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Morehouse Parish Police Jury as defined in Note 1 to the financial statements. All federal award programs received directly from federal agencies, as well as federal awards through other government agencies, are included on the schedule.

Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the financial statements.

Reconciliation to Federal Grant Revenues

Federal expenditures	\$ 2,357,449
Section 8 expenditures	(784,643)
Section 8 revenues	842,094
ARPA expenditures	(990,426)
ARPA revenues	913,653
CDBG expenditures	(582,380)
CDBG revenues	501,320
Federal revenues	<u>\$ 2,257,067</u>

Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Federal Awards

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. Federal awards do not include the Police Jury's operating income from rents or investment (or other non-federal source).

Indirect Cost Rate

The Police Jury has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance, when applicable. No indirect costs were reported for 2023.

Other Reports



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

To the Honorable Members of the
Morehouse Parish Police Jury

Bastrop, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Morehouse Parish Police Jury, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Morehouse Parish Police Jury’s basic financial statements and have issued our report thereon dated February 17, 2026.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 through 2023-008 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Morehouse Parish Police Jury’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2023-001 through 2023-003 and 2023-005 through 2023-008.

Morehouse Parish Police Jury
Independent Auditor's Report Required by
Government Auditing Standards
December 31, 2023

Morehouse Parish Police Jury's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Morehouse Parish Police Jury's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Morehouse Parish 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Louisiana Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

February 17, 2026



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Members of the

Morehouse Parish Police Jury

Bastrop, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Morehouse Parish Police Jury's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Morehouse Parish Police Jury's major federal programs for the year ended December 31, 2023. Morehouse Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on ALN 21.027, Coronavirus State and Local Recovery Funds (CSLFRF)

As described in the accompanying schedule of findings and questioned costs, Morehouse Parish Police Jury did not comply with requirements regarding allowable costs (Finding 2023-008) applicable to the CSLFRF Program. Compliance with such requirements is necessary, in our opinion, for Morehouse Parish Police Jury to comply with the requirements applicable to that program.

Qualified Opinion on ALN 21.027, Coronavirus State and Local Recovery Funds

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Morehouse Parish Police Jury did not comply in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on the CSLFRF Program for the year ended December 31, 2023.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2023-007, that we consider to be a material weakness.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Louisiana Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

February 17, 2026

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

A. SUMMARY OF AUDIT RESULTS

1. The Police Jury issues primary government financial statements. The auditor's report expresses unmodified opinions on the financial statements of the Road Maintenance Fund, Drainage Maintenance Fund, Solid Waste Fund, Criminal Court Fund, and the aggregate remaining fund information of the Morehouse Parish Police Jury. Qualified opinions are expressed on the financial statements of the Governmental Activities, General Fund, and American Rescue Plan Act Fund. An adverse opinion is expressed on the aggregate discretely presented component units, as these component units are omitted from the financial statements. The component units issue their own separate financial statements.
2. Eight material weaknesses are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. Seven instances of noncompliance material to the financial statements of the Morehouse Parish Police Jury were disclosed during the audit and reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. One material weakness in internal control over the major federal award program disclosed during the audit is reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the *Uniform Guidance*.
5. The auditor's report on compliance for the major federal award program for Morehouse Parish Police Jury expresses a qualified opinion on the major federal program.
6. The program tested as a major program was United States Treasury – Coronavirus State and Local Recovery Funds (Assistance Listing Number 21.027)
7. The threshold used for distinguishing between Type A and B programs was \$750,000.
8. Morehouse Parish Police Jury was determined not to be a low-risk auditee.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2023-001 Noncompliance with Local Government Budget Act

Year First Reported

2021

Type

Material Weakness, Noncompliance

Criteria

The Louisiana Local Government Budget Act (LGBA) requires that local governments adopt budgets in compliance with statutory requirements, including the publication of advance notice for public hearings on budget adoption in the official journal, with the hearing held no sooner than 10 days after publication (R.S.39:1307(A)(C); AG Opinion #85-938A). The Act also generally requires that budgets be balanced and that material unfavorable variances be addressed in a timely manner to ensure fiscal responsibility.

Condition

For the fiscal year 2023, the Morehouse Parish Police Jury experienced material unfavorable variances from the budget in multiple funds. General Fund expenditures and other uses exceeded budget by \$380,435, or 9%. Building Maintenance Fund expenditures exceeded budget by \$323,256, or 133%. Additionally, a deficit of \$752,793 was budgeted for the General Fund. The public hearing for the 2023 budget was added to the agenda during the December 2022 meeting.

Cause

The issues appear to result from insufficient budgetary controls and oversight.

Effect

Noncompliance with the LGBA increases the risk of fiscal mismanagement and reduces transparency and public participation in the budget process. Budgeting a deficit and failing to address material unfavorable variances may impair the financial stability of the affected funds and erode public trust in the Parish's financial management.

Recommendation

The Police Jury should strengthen budgetary controls to ensure that budgets are balanced and that material unfavorable variances are promptly addressed. The Jury should also implement procedures to ensure compliance with all requirements of the LGBA.

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

2023-002 Annual Report Filed Late

Year First Reported

2022

Type

Material Weakness, Noncompliance

Criteria

Louisiana Audit Law requires annual reports to be submitted within six months of year end, making the 2023 report due by June 30, 2024.

Condition

The 2023 audited financial statements were not filed by the required deadline.

Cause

Bosch & Statham, LLC began the 2022 audit after it was already overdue, with the report issued in October 2024. The Police Jury has had a CPA consultant on retainer since before the 2022 audit; however, technical challenges and a small staff made it difficult for the consultant to keep up with accounting tasks. As a result, there were delays in finalizing the 2023 records. The 2023 trial balances and supporting documents were not available to the auditors until April 2025. Bank reconciliations and other closing procedures were not completed timely, and some errors and unreconciled items were present in the records. These factors and others contributed to the delay in completing the audit.

Effect

The late filing resulted in the Police Jury being placed on the noncompliance list, temporarily suspending state funding. Although an extension was requested, it was not granted.

Recommendation

We recommend the Police Jury continue to enhance its year-end closing and audit preparation processes. Closing the books within 60 days of year end, timely bank reconciliations, and prompt resolution of reconciling items will help ensure timely and accurate financial reporting. Using checklists and structured timelines may further support these efforts.

Management's Response

See management's corrective action plan.

2023-003 Internal Control over Year End Financial Reporting

Year First Reported

2023

Type

Material Weakness, Noncompliance

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

Criteria

Governmental entities are required to maintain complete and accurate accounting records in accordance with generally accepted accounting principles (GAAP) and internal control standards. Timely and accurate financial reporting is essential for effective management, compliance with laws and regulations, and stewardship of public resources.

Condition

We did not receive the 2023 trial balances, general ledgers, and related items until April 2025. We noted the following issues:

- The trial balances contained obvious errors, including debit balances in revenue accounts and credit balances in expenditure accounts.
- Prior year receivables were not reversed.
- Interfund accounts did not balance.
- The trial balance did not agree with the general ledger.
- Bank reconciliations included suspense items that had not been posted.
- Equity accounts did not roll forward correctly.
- \$157,000 in unrecorded payables were identified.

Additionally, not all requested data was provided to the auditors. Significant time was required to identify audit adjustments to correct these errors and complete the financial statements.

Cause

The deficiencies appear to result from a combination of factors, including lack of timely and accurate bookkeeping, insufficient training or supervision of accounting staff, and inadequate internal controls over financial reporting. The transition between auditors and the refusal of the prior auditor to accept CPA adjustments further contributed to the accumulation of unresolved errors.

Effect

These conditions increase the risk of material misstatement in the financial statements, hinder the ability of management and the governing body to make informed decisions, and may result in noncompliance with applicable laws, regulations, and grant requirements. The lack of reliable financial information also impairs transparency and accountability to stakeholders.

Recommendation

We recommend that the Morehouse Police Jury evaluate the current policies and processes for accounting daily, weekly, monthly, quarterly, and annually. All transactions should be entered at least weekly. Bank reconciliations should be completed within ten days of month end. Monthly financial statements, including budget to actual comparisons, should be provided to management and the Police Jury by the 15th of each month. Interfund accounts should be balanced at least monthly. Receivables and payables should be identified (and recorded) at least annually. Extra care should be taken at year end to ensure all balance sheet accounts are reconciled to supporting documentation in a timely manner. Perhaps duties can be redistributed among the consultant and existing employees and/or training can be provided to existing staff.

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

2023-004 Omission of Infrastructure Assets (Roads and Bridges) from Financial Statements

Year First Reported

2023

Type

Material Weakness

Criteria

GASB Statement No. 34, as codified in GASB Cod. sec. 1400.101–.116, requires that all capital assets, including infrastructure assets such as roads and bridges, be reported in the statement of net position at historical cost (or estimated historical cost) and depreciated over their estimated useful lives, unless the government elects and qualifies to use the modified approach. The modified approach allows eligible infrastructure assets that are part of a network or subsystem of a network to not be depreciated if the government manages the assets using an asset management system and documents that the assets are being preserved at or above a condition level established and disclosed by the government.

Condition

Morehouse Parish Police Jury did not present its roads and bridges (infrastructure assets) in the government-wide financial statements for the fiscal year ended December 31, 2023. These assets were neither capitalized nor depreciated, nor were they reported using the modified approach. As a result, the governmental activities financial statements do not include the value or related disclosures for these significant infrastructure assets.

Cause

The omission appears to be due to the government entity not having completed an inventory or valuation of its roads and bridges infrastructure assets and not having implemented the necessary accounting policies and procedures to comply with GASB requirements for capital asset reporting.

Effect

By not reporting roads and bridges in the financial statements, Morehouse Parish Police Jury is not in compliance with generally accepted accounting principles (GAAP) as established by GASB. This results in a material understatement of capital assets and net position in the government-wide financial statements. Users of the financial statements, including citizens, oversight bodies, and creditors, may be misled regarding the government's financial position and the stewardship of public infrastructure assets.

Recommendation

We recommend that Morehouse Parish Police Jury develop and implement procedures to identify, inventory, and value all infrastructure assets, including roads and bridges, in accordance with GASB Statement No. 34. The entity should ensure these assets are properly reported in the government-wide financial statements, either by capitalizing and depreciating them or by meeting the requirements for the modified approach, including all necessary disclosures and supplementary information.

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

**2023-005 Misappropriation of Cash Collections Due to Inadequate Segregation of Duties and Untimely Deposits
Year First Reported**

2023

Type

Material Weakness, Noncompliance

Criteria

Governmental accounting standards and internal control best practices require that cash collection, recording, and reconciliation duties be separated to reduce the risk of misappropriation. All cash receipts should be deposited promptly, and reconciliations should be performed by someone independent of the cash handling and recording functions. If staffing limitations prevent ideal segregation, compensating controls such as increased management oversight and independent review of reconciliations are necessary.

Authoritative standards (Yellow Book, AICPA) define any unauthorized use of public funds by employees—including "borrowing" with intent to repay—as misappropriation of assets, a form of fraud, and noncompliance with laws and regulations.

Condition

During audit fieldwork for the 2023 period, it was observed that cash collections for permits were not always deposited in a timely manner. A surprise cash count indicated that funds from permit collections had been temporarily removed and later repaid. The cash on hand was \$100 over and consisted solely of \$50 and \$100 bills—an unusual denomination pattern for such collections. It seems unreasonable to think that no one paid with smaller denominations. Additionally, there was no evidence of daily deposit oversight or involvement by other staff until the funds were turned in for deposit. The temporary removal and subsequent repayment of public funds by an employee constitutes misappropriation of assets, regardless of intent to repay.

Cause

There was a lack of segregation of duties and insufficient oversight of the cash collection and deposit process. The same individual was responsible for collecting, holding, and depositing cash without independent review or timely reconciliation.

Effect

Failure to segregate duties and ensure timely deposits increases the risk of misappropriation, loss, or misuse of public funds. In this instance, the lack of controls allowed for the temporary removal of funds from collections, which constitutes misappropriation of assets (a form of fraud) and noncompliance with applicable laws and regulations. This could have resulted in financial loss or undetected fraud.

Recommendation

We recommend that Morehouse Parish Police Jury implement procedures to ensure that:

- Cash collections are deposited daily or in accordance with established policy.
- Duties related to cash collection, deposit, and reconciliation are segregated to the extent possible.
- Where staffing limitations exist, compensating controls such as independent review of deposits and reconciliations by management are implemented.
- All cash receipts are logged and reconciled to supporting documentation upon receipt.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

Management's Response

See management's corrective action plan.

2023-006 Failure to Properly Complete the Justice System Reporting Schedule

Year First Reported

2023

Type

Material Weakness, Noncompliance

Criteria

Act 87 of the 2020 Regular Legislative Session (R.S. 24:515.2) requires local and state entities in Louisiana that assess, collect, or receive revenue from pre- or post-adjudication costs, fines, and fees to include, in their audit, review/attestation, and compilation reports, the uniform reporting schedules developed by the Louisiana Legislative Auditor (LLA) and the Louisiana Supreme Court (LSC). These schedules must report, at a minimum, the amounts assessed, collected, outstanding, retained, disbursed, and received from disbursements for court costs, fines, and fees.

Condition

Management prepared and included the required schedule of court costs, fines, and fees in the financial statements for the year ended December 31, 2023. However, the schedule omitted material amounts that should have been reported, resulting in incomplete and inaccurate disclosure of the required information.

Cause

The omission of material amounts from the schedule occurred because management did not have adequate procedures in place to ensure the completeness and accuracy of the information reported. Additionally, there was insufficient review of the supporting records to verify that all required amounts were included in the schedule.

Effect

As a result, the entity's financial statements are not in compliance with Louisiana state law and the requirements of the LLA/LSC. This omission reduces transparency and accountability regarding the collection and disposition of court costs, fines, and fees, and may subject the entity to findings by oversight agencies or risk of delayed or withheld funding until compliance is achieved.

Recommendation

We recommend that management implement procedures to ensure that all required schedules, including those for court costs, fines, and fees, are prepared and included in the annual financial statements in accordance with Act 87 and LLA/LSC requirements.

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

2023-007 Lack of Invoice Verification Against Rack Prices for Fuel Purchases

Year First Reported

2023

Type

Material Weakness, Noncompliance

Criteria

Best practices and internal control standards require that entities verify vendor invoices against contract terms and relevant market benchmarks (such as rack prices) to ensure that amounts billed comply with the awarded bid. Effective contract monitoring is essential to prevent overpayments and ensure compliance with procurement requirements.

Condition

The Morehouse Parish Police Jury purchases approximately \$100,000 of fuel annually through a competitive bid process, awarding the contract to the lowest bidder. However, during the audit period, there was no evidence that staff compared vendor invoices to rack prices or the bid rate to confirm that the amounts billed were in accordance with the contract terms.

Cause

The lack of invoice verification procedures appears to be due to insufficient internal controls and oversight regarding contract compliance. Staff responsible for processing fuel invoices were not required or trained to perform price comparisons as part of the payment process.

Effect

Without verifying that invoiced rates comply with the bid amount which is based on current rack prices, there is an increased risk of overpayment, noncompliance with procurement policies, and potential misuse of public funds. The absence of this control could result in financial loss to the Police Jury and may undermine public trust in the procurement process.

Recommendation

We recommend that the Police Jury develop and implement written procedures requiring staff to compare all fuel invoices to the contract bid rate and applicable rack prices prior to payment. Staff should be trained on these procedures, and periodic supervisory reviews should be conducted to ensure compliance and address any discrepancies promptly.

Management's Response

See management's corrective action plan.

2023-008 Disbursement of CSLFRF Funds to Nonprofit Organization Without Required Legal Framework

See full description in the Single Audit Section below.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

C. FINDINGS - SINGLE AUDIT

2023-008 Disbursement of CSLFRF Funds to Nonprofit Organization Without Required Legal Framework

Federal Program

ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)

Federal Agency

United States Treasury

Pass-Through Entity

N/A

Year First Reported

2023

Type

Material Weakness, Noncompliance

Condition

The auditee disbursed \$30,000 from its Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) to Rose Theatre, a nonprofit organization, for HVAC upgrades. The disbursement was approved in a police jury meeting; however, there was no Cooperative Endeavor Agreement (CEA) executed between the auditee and the nonprofit.

Criteria

- The U.S. Department of Treasury's CSLFRF Final Rule allows grants to nonprofit organizations for capital improvements, such as HVAC upgrades, if the expenditure is reasonably related to COVID-19 response, prevention, or mitigation, or addresses negative economic impacts of the pandemic.
- Federal allowability is contingent on compliance with all applicable state and local laws, including requirements for legal agreements governing the use of public funds.
- Louisiana Constitution Article VII, Section 14, generally prohibits the donation of public funds to private entities, including nonprofits, unless a specific constitutional or statutory exception applies. This restriction applies to all public funds in the state or local treasury, regardless of their source, including federal grants.

Cause

The disbursement was made without a CEA, and there was insufficient consideration of Louisiana's constitutional restrictions on the use of public funds for the benefit of private entities.

Effect

The expenditure may be unallowable under both federal and state law. The lack of a CEA and potential violation of Louisiana Constitution Article VII, Section 14, could result in questioned costs, required repayment of funds, or other compliance actions.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

Questioned Costs

The total questioned costs are \$30,000, representing the full amount of CSLFRF funds disbursed to Rose Theatre, a nonprofit organization, for HVAC upgrades without a Cooperative Endeavor Agreement and in potential violation of Louisiana Constitution Article VII, Section 14. The questioned costs are reported due to noncompliance with both federal requirements for allowability and state constitutional restrictions on the use of public funds.

Perspective Information

During the audit period, one instance was identified in which \$30,000 of CSLFRF funds was disbursed to a nonprofit organization without a Cooperative Endeavor Agreement, in potential violation of state law. This was the only such disbursement identified out of five CSLFRF-funded projects reviewed, totaling \$500,000. No statistical sampling was used; all CSLFRF-funded projects were examined. Therefore, this appears to be an isolated incident rather than a systemic issue.

Recommendation

The auditee should ensure that all disbursements of public funds, including federal grants, to nonprofit organizations are supported by a Cooperative Endeavor Agreement and comply with Louisiana Constitution Article VII, Section 14. Legal counsel should be consulted to determine whether such expenditures are permissible and to ensure all required agreements and documentation are in place prior to disbursement.

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023**

2022-001: Noncompliance with Local Government Budget Act

The finding is repeated as finding 2023-001.

2022-002: Under secured Bank Balances

The finding is resolved.

2022-003: Annual Report File Late

The finding is repeated as 2023-002.

MOREHOUSE PARISH POLICE JURY

125 EAST MADISON AVENUE
BASTROP, LOUISIANA 71220
(318) 281-4132 * FAX (318) 283-1243
spmppj@yahoo.com * dbmppj@yahoo.com

February 17, 2026

DISTRICT 1
James "Jim" Ellingburg
15830 Lum Day Rd.
Bastrop, LA 71220

Bosch & Statham, LLC
Ruston, Louisiana

DISTRICT 2
Harry Reese, Sr.
P. O. Box 280
Mer Rouge, LA 71261

DISTRICT 3
James "Jimmy" Laing
11316 Malcolm Rd.
Mer Rouge, LA 71261

DISTRICT 4
Norwood W. Harrison
5090 Woodlawn Dr.
Bastrop, LA 71220

DISTRICT 5
Wanda R. Davis
2004 Saturn Dr.
Bastrop, LA 71220

DISTRICT 6
Terry Matthews
1003 Commerce Ave.
Bastrop, LA 71220

DISTRICT 7
Dorothy Thomas
113 Fairfield Ave.
Bastrop, LA 71220

The Louisiana Legislative Auditor (LLA) is considered to be a specified party to the Statewide Agreed-Upon Procedures (AUPs) and acknowledges that the procedures performed are appropriate for their purposes by their acceptance of the standard audit engagement approval forms. In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the LLA's statewide agreed-upon procedures (AUPs), for the fiscal period **January 1, 2023 through December 31, 2023**, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; fraud notice; information technology disaster recovery/business continuity; prevention of sexual harassment; and other areas.

Yes No

2. We acknowledge that we are responsible for establishing and maintaining effective internal control over compliance.

Yes No

3. For the fiscal period **January 1, 2023 through December 31, 2023**, we have performed an evaluation of our compliance with the best practices criteria presented in the statewide AUPs.

Yes No

4. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No

Last Updated: January 2024

5. We have provided you with access to all records that we believe are relevant to the C/C areas and the statewide AUPs.

Yes No

6. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No

7. We have disclosed to you any known noncompliance with laws or regulations affecting the statewide AUPs occurring during the period of **January 1, 2023 through December 31, 2023** and between **December 31, 2023**, and **February 17, 2026**, including any actual, suspected, or alleged fraud.

Yes No

8. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between **December 31, 2023**, and **February 17, 2026**.

Yes No

9. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.

Yes No

10. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.

Yes No

11. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.

Yes No

12. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.

Yes No

13. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.

Yes No

14. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and purchase (P) cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.

Yes No

15. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.

Yes No

16. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.

Yes No

17. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.

Yes No

18. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.

Yes No

19. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
- Yes No
20. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes No
21. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
- Yes No
22. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
- Yes No
23. We represent that the listing of computers currently in use and their related locations that we provided to you is complete.
- Yes No
24. We are not aware of any material misstatements in the C/C areas identified in the statewide AUPs.
- Yes No
25. We have disclosed to you [*list other matters as you have deemed appropriate*].
- Yes No
26. We have responded fully to all inquiries made by you during the engagement.
- Yes No

27. We have disclosed to you all known events that have occurred subsequent to **December 31, 2023**, that would have a material effect on the C/C areas identified in the statewide AUPs, or would require adjustment to or modification of the results of the statewide AUPs.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature Jerry Matthews

Title President



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Honorable Members of the

Morehouse Parish Police Jury

and the Louisiana Legislative Auditor

We have performed the procedures enumerated below 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, 2023, through December 31, 2023. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Entity 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, 2023, through December 31, 2023. 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 and associated findings are as follows:

1) *Written Policies and Procedures*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

We obtained and inspected the entity's written policies and procedures.

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

The policy included all required elements.

Exceptions: None

- ii) **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 Jury's policy did not include elements (1) or (2).

Exceptions: See above.

- iii) **Disbursements**, including processing, reviewing, and approving.

The policy included all required elements.

Exceptions: None.

MOREHOUSE PARISH POLICE JURY
STATEWIDE AGREED-UPON PROCEDURES
DECEMBER 31, 2023

- iv) **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).

The policy included all required elements.

Exceptions: None.

- v) **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 rates of pay or approval and maintenance of pay rate schedules.

The policy included all required elements.

Exceptions: None.

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

The Jury's policy did not include element (3).

Exceptions: See above.

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

The policy included all required elements.

Exceptions: None.

- viii) **Credit Cards (and debit cards, fuel cards, purchase 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 policy included all required elements.

Exceptions: None.

- ix) **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 Jury's policy did not include element (3).

Exceptions: See above.

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

The policy included all required elements.

Exceptions: None.

- xi) **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.

We noted no such policy.

Exceptions: See above.

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

The policy included all required elements.

Exceptions: None

2) **Board or Finance Committee**

- A. 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

We observed that the board met with a quorum at least monthly in accordance with the board's enabling legislation.

- i. 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.

We observed that the board met with a quorum at least monthly in accordance with the board's enabling legislation.

Exceptions: None

- ii. 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. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

We noted no exceptions.

- iii. 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.

We obtained the prior year audit report and observed a positive unrestricted general fund balance.

Exceptions: None

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

We noted no evidence the board received written updates on audit findings.

Exceptions: See above.

3) **Bank Reconciliations**

- A. 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:

We obtained a listing of accounts from management and management's representation the listing is complete. We selected the main operating account and four additional accounts as well as a month for testing. We obtained the related documentation and noted the following. Two of the five accounts selected did not have a corresponding reconciliation.

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

For the remaining three accounts tested, we noted three exceptions.

Exceptions: See above.

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

We noted three exceptions.

Exceptions: See above.

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

We noted one exception.

Exceptions: See above.

4) Collections (excluding electronic funds transfers)

- A. 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).

We obtained 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. There is only one deposit site.

Exceptions: None

- B. 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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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

For the deposit site, we obtained a listing of collection locations and management's representation that the listing is complete. There are two collection locations. We selected one collection location and obtained and inspected written policies and procedures relating to employee job duties. We also inquired of employees about their job duties.

- i. Employees responsible for cash collections do not share cash drawers/registers;
- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

The Secretary-Treasurer and Assistant use the same cash bag.

Exceptions: See above.

One employee can collect cash, prepare deposits, make bank deposits, and posts deposits to the general ledger. No one reconciles the receipt books to the deposits or deposits to the ledger.

Exceptions: See above.

MOREHOUSE PARISH POLICE JURY
STATEWIDE AGREED-UPON PROCEDURES
DECEMBER 31, 2023

- iii. Each employee responsible for collecting cash is not also 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; and

One employee can collect cash, prepare deposits, make bank deposits, and posts deposits to the general ledger. No one reconciles the receipt books to the deposits or deposits to the ledger.

Exceptions: None

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

One employee can collect cash, prepare deposits, make bank deposits, and posts deposits to the general ledger. No one reconciles the receipt books to the deposits or deposits to the ledger.

Exceptions: See above.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

We noted no exceptions.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, 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:

Among the five accounts selected under procedure #3A, only one bank statement contained deposit transactions. From this statement, we selected two deposits.

- i. Observe that receipts are sequentially pre-numbered.

One deposit was not supported by written receipts. The second deposit was supported by sequentially pre-numbered receipts.

Exceptions: See above.

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

We noted one exception.

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

We noted no exceptions.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

We noted two exceptions.

Exceptions: See above.

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

We noted no exceptions.

5) *Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)*

- A. 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).

We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. There was one location on the list.

Exceptions: None

- B. For each location selected under procedure #5A 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

We obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties and inquired of employees about their job duties.

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

We observed that at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Exceptions: See above.

- ii. At least two employees are involved in processing and approving payments to vendors;

We noted at least two employees are involved in processing and approving payments to vendors.

Exceptions: None

MOREHOUSE PARISH POLICE JURY
STATEWIDE AGREED-UPON PROCEDURES
DECEMBER 31, 2023

- iii. 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;

We noted the employee responsible for processing payments may add/modify vendor files without review.

Exceptions: See above.

- iv. 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; and

We noted the employee responsible for processing payments may also mail the checks.

Exceptions: See above.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

The policy specifies all disbursements are to be made by check.

Exceptions: None

- C. For each location selected under procedure #5A 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

We obtained the population and management's representation that the population is complete. We randomly selected five disbursements and obtained available supporting documentation.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

We noted no exceptions.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

We noted no exceptions.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

We noted no such transactions.

Exceptions: See above.

6) *Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)*

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

We obtained a listing from management and management's representation that the listing is complete.

Exceptions: None

- B. 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

Using the listing provided, we selected five cards and a month for testing. For three of the cards selected, management asserted there were no statements due to lack of activity. We obtained the related documentation for the remaining two.

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

We noted one card showed no evidence of review or approval. We noted the second card appears to have been reviewed and approved by the cardholder.

Exceptions: See above.

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

We noted no such charges.

- C. Using the monthly statements or combined statements selected under procedure #7B 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 (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Using the statements from the above procedure, we noted a total of four transactions. We obtained the related documentation. We observed the following:

- (1) We noted one exception.*
- (2) We noted no exceptions.*
- (3) We noted no such charges.*

We noted no such control.

Exceptions: See above.

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

- A. 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 and 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

We obtained a listing from management and management’s representation the listing is complete. We selected all five listed and obtained the related documentation. We noted the following.

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
We noted no exceptions.
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
We noted no such costs.
- iii. 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 Policies and Procedures procedure #1A(vii); and
We noted no exceptions.

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

We noted no exceptions.

8) *Contracts*

- A. 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. *Alternatively, 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

Management asserted no contracts/agreements were initiated or renewed during the fiscal period.

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

Not applicable.

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

Not applicable.

- iii. If the contract was amended (e.g., change order), observe that 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, the documented approval); and

Not applicable.

- iv. 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.

Not applicable.

9) *Payroll and Personnel*

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We obtained a listing from management and management's representation it is complete. We selected five employees/officials and obtained the related documentation. We agreed the paid rate/salary to the authorized as per the personnel files.

Exceptions: None

MOREHOUSE PARISH POLICE JURY
STATEWIDE AGREED-UPON PROCEDURES
DECEMBER 31, 2023

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We selected one pay period during the fiscal period and obtained the related attendance/leave documentation noting the following.

- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

We noted no exceptions.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

We noted one exception.

Exceptions: See above.

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

We noted no exceptions.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

We agreed the paid rate/salary to the authorized rate/salary.

Exceptions: None.

- C. 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 and 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's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

We obtained a listing from management and management's representation it is complete. We selected two employees and obtained the related documentation. Upon inspection, neither of the checks were termination payments, but rather last checks for hours worked.

Exceptions: None

- D. 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.

We obtained management's representation that employer and employee portions of third-party payroll related amounts were paid timely and accurately.

Exceptions: None

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

Using those selected under procedure #9A, we noted the following.

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

We noted one exception.

Exceptions: See above.

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Management asserted no changes had been made.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

We inquired of management and noted the entity has an appointed designee.

Exceptions: None.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Management asserted none.

- B. 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).

Management asserted none.

12) Fraud Notice

- A. 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 as required by R.S. 24:523.

Management asserted none.

- B. 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.

We observed the required notice posted on the premises. The entity does not own an operational website.

Exceptions: None

13) Information Technology Disaster Recovery/Business Continuity

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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- 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.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267 . The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Using those selected under procedure #9A, we noted one employee did not have the required training.

Exceptions: See above.

- B. Observe that 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).

We observed the policy posted at the Entity's office.

Exceptions: None

- C. 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 that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

We obtained the annual sexual harassment report and noted all required elements.

Exceptions: None.

Management's Response: We will take the auditor's comments under advisement and take action as considered necessary. It may not be feasible to implement all best practices.

We were engaged by the Entity 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.

MOREHOUSE PARISH POLICE JURY
STATEWIDE AGREED-UPON PROCEDURES
DECEMBER 31, 2023

We are required to be independent of the Entity 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.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

February 17, 2026

MOREHOUSE PARISH POLICE JURY

125 EAST MADISON AVENUE
BASTROP, LOUISIANA 71220
(318) 281-4132 * FAX (318) 283-1243
spmppj@yahoo.com * dbmppj@yahoo.com

March 12, 2026

DISTRICT 1
James "Jim" Ellingburg
15830 Lum Day Rd.
Bastrop, LA 71220

Bosch & Statham, LLC
P. O. Box 2377
Ruston, Louisiana 71273-2377

DISTRICT 2
Harry Reese, Sr.
P. O. Box 280
Mer Rouge, LA 71261

Re: Audit Findings Answers for 2023

DISTRICT 3
James "Jimmy" Laing
11316 Malcolm Rd.
Mer Rouge, LA 71261

1. Audit finding 2023-001 (Noncompliance with Budget Finding):

We concur with this finding, and management will work to improve controls over the budget process.

DISTRICT 4
Norwood W. Harrison
5090 Woodlawn Dr.
Bastrop, LA 71220

2. Audit finding 2023-002 (Annual Report Filed Late):

Management understands the importance of timely filing and has worked with our audit team to get back on track for the current fiscal year reporting.

DISTRICT 5
Wanda R. Davis
2004 Saturn Dr.
Bastrop, LA 71220

3. Audit Finding 2023-003 (Internal Control over Year End Financial Reporting):

Management understands the finding and relates many of the issues to the transition from the prior auditor. Previously the auditor provided the type of entries listed in the finding. 2023 was a transition year to preparing these year-end entries in house. We will continue to work with the audit staff to make much needed improvements in this area.

DISTRICT 6
Terry Matthews
1003 Commerce Ave.
Bastrop, LA 71220

4. Audit finding 2023-004 (Omission of Infrastructure assets)

Management concurs with this finding and will work to implement procedures to include these assets in financial reporting.

DISTRICT 7
Dorothy Thomas
113 Fairfield Ave.
Bastrop, LA 71220

5. Audit finding 2023-005 (Misappropriation of Cash Collections)

We concur with the findings. Corrective measures have been implemented to eliminate this risk, including daily deposits, segregation of duties, independent management review, immediate logging of all receipts, staff retraining, and the adoption of a formal cash management policy.

6. Audit Finding 2023-007 (Justice Funding Schedule)

Management understands this reporting requirement and will correct this deficiency going forward.

7. Audit Finding 2023-008 (Lack of Invoice Verification Against Rack Prices for Fuel Purchases)
Management better understands the use of rack prices and will implement this step in our purchasing process in the future.

8. Audit Finding 2023-009 (Disbursement of CSLFRF funds without CEA)
Management believes the disbursement was in accordance with the provisions of the American Rescue Plan Act and the expenditure was reported correctly to Treasury. The purchase was made in accordance with state and federal purchasing guidelines, however, the relationship could have been better documented with a CEA.

Sincerely,



Terry Matthews
President
Morehouse Parish Police Jury

Louisiana Legislative Auditor’s Finding Template for Reporting Fraud and Misappropriations

AGENCY NAME: MOREHOUSE PARISH POLICE JURY

FISCAL YEAR END: DECEMBER 31, 2023

#	ELEMENT OF FINDING	RESPONSE
1	A general statement describing the fraud or misappropriation that occurred.	The Assistant Secretary borrowed cash from the collections of permits. The funds were repaid.
2	A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	Permit receipts
3	The amount of funds or approximate value of assets involved.	\$1,200
4	The department or office in which the fraud or misappropriation occurred.	Administration/Police Jury offices
5	The period of time over which the fraud or misappropriation occurred.	Unknown. Discovered June 2025
6	The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	Executive Administrator
7	The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	N/A
8	Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	Yes
9	If the person who committed or is believed to have committed the act of fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	Yes
10	Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	Unknown
11	What is the status of the investigation at the date of the auditor’s/accountant’s report?	N/A
12	If the investigation is complete and the person believed to have	N/A

Louisiana Legislative Auditor’s Finding Template for Reporting Fraud and Misappropriations

AGENCY NAME: MOREHOUSE PARISH POLICE JURY

FISCAL YEAR END: DECEMBER 31, 2023

	committed the act of fraud or misappropriation has been identified, has the agency filed charges against that person?	
13	What is the status of any related adjudication at the date of the auditor’s/accountant’s report?	N/A
14	Has restitution been made or has an insurance claim been filed?	Yes
15	Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)	Unknown
16	Did the agency’s internal controls allow the detection of the fraud or misappropriation in a timely manner?	No
17	If the answer to the last question is “no,” describe the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	There was no reconciliation between the collections per the permit collections software and the deposit. Deposits are not being made timely.
18	Management’s plan to ensure that the fraud or misappropriation does not occur in the future	“Corrective measures have been implemented to eliminate this risk, including daily deposits, segregation of duties, independent management review, immediate logging of all receipts, staff retraining, and the adoption of a formal cash management policy.”