

**Jackson Parish Police Jury
Jonesboro, Louisiana**

**Annual Financial Report
As of and for the Year Ended December 31, 2020**

Jackson Parish Police Jury

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(Concluded)



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Independent Auditor's Report

Police Jurors
Jackson Parish Police Jury
Jonesboro, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Parish Police Jury, Jonesboro, Louisiana, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 2020, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Police Jury as of December 31, 2020, 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.

Emphasis of Matter

As disclosed in Note 7 to the financial statements, the net pension liability for the Police Jury was \$15,218 at December 31, 2020, as determined by the Parochial Employees’ Retirement System of Louisiana. The related actuarial valuation was performed by the Retirement System’s actuary using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at December 31, 2020, could be under or overstated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Police Jury's primary government. The accompanying supplementary information and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the primary government's 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 accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the primary government's basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2022 on our consideration of the 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 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 the Police Jury's internal control over financial reporting and compliance.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
February 28, 2022

REQUIRED SUPPLEMENTARY INFORMATION

**Management's Discussion
And Analysis (MD&A)**

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020

Our discussion and analysis of Jackson Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2020.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

The assets and deferred outflows of resources of the Police Jury exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2020 by \$24,429,280 (net position). Of this amount, \$700,157 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

The Police Jury total net position changed \$(3,081,361) mainly because of the increase in expenses related to the response to Hurricane Laura and the COVID-19 pandemic, a decrease in ad valorem taxes, and a decrease in interest earnings due to a reduction in interest rates. The Jury believes that taxpayer's funds should be used for projects and maintenance that improves the quality of life for the citizens of Jackson Parish, not for hoarding funds. The decrease in net position does not have an adverse effect on any of the Jury's major programs. The Jury believes that it has sufficient net position to provide these programs for the near future.

Total spending for all our governmental activities was \$11,193,781 for the year. Most of the Police Jury's property and sales taxes were used to support the net cost (after deducting restricted grants and fees charged to users) of these six areas: judicial \$229,587, finance and administrative \$403,535, other general government \$511,345, public safety \$746,042, public works \$6,831,402, and culture and recreation \$1,247,423.

At the end of 2020, the Police Jury's governmental funds reported a combined fund balances of \$10,457,064, a change of \$(3,268,726) in comparison with prior year. \$1,101,246 or 11% of the combined fund balance is available for spending at the government's discretion (unassigned fund balance). 100% of the unassigned fund balance is reported in the general fund.

At the end of the current year, unrestricted fund balance (the total of the committed and unassigned components of fund balance) for the general fund was \$1,401,246, or approximately 58% of total general fund expenditures.

NEW GASB STANDARDS In May 2020, the Governmental Accounting Standards Board issued Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement extended the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides. The primary objective of GASB Statement No. 95 was to provide temporary relief to governments and other stakeholders in the light of the COVID-19 pandemic. The Police Jury implemented this Statement for fiscal year ended December 31, 2020.

USING THIS ANNUAL REPORT The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - the General Fund, Road Fund, Solid Waste Fund, Library Fund, and Asphalt Fund.

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020**

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Financial Statements

Required Supplementary Information

**Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)
Schedule of Employer Contributions to Pension Plan
Budgetary Information for Major Funds**

Supplementary Information

**Nonmajor Funds Combining Statements
Schedule of Compensation Paid Police Jurors
Schedule of Compensation, Benefits and Other Payments to Agency Head
Justice System Funding Schedule – Receiving Entity**

Other Information

Other Reports Required By *Government Auditing Standards*

Our auditor has provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information (RSI) and the Supplementary Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report. Separate financial statements may be obtained from the component units that are not included.

Reporting the Police Jury as a Whole

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

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020

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

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

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

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the solid waste fund). The Police Jury's governmental funds use the following accounting approach:

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

THE POLICE JURY AS A WHOLE As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. The Police Jury's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$24,429,280 (net position). Our analysis of the primary government focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental activities.

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020

Table 1
Net Position
December 31,

	2020	2019	Variance	Percent of Change
Other assets	\$ 12,371,859	\$ 14,448,284	\$ (2,076,425)	(14.4)
Capital assets	16,043,118	16,217,117	(173,999)	(1.1)
Total assets	<u>28,414,977</u>	<u>30,665,401</u>	<u>(2,250,424)</u>	(7.3)
Deferred outflows of resources	<u>506,415</u>	<u>1,223,013</u>	<u>(716,598)</u>	(58.6)
Other liabilities	1,597,703	533,074	1,064,629	199.7
Long-term liabilities	<u>2,185,191</u>	<u>3,758,305</u>	<u>(1,573,114)</u>	(41.9)
Total liabilities	<u>3,782,894</u>	<u>4,291,379</u>	<u>(508,485)</u>	(11.8)
Deferred inflows of resources	<u>709,218</u>	<u>86,394</u>	<u>622,824</u>	720.9
Net position:				
Net investment in capital assets	14,438,118	14,317,117	121,001	0.8
Restricted	9,291,005	12,111,235	(2,820,230)	(23.3)
Unrestricted	<u>700,157</u>	<u>1,082,289</u>	<u>(382,132)</u>	(35.3)
Total net position	<u>\$ 24,429,280</u>	<u>\$ 27,510,641</u>	<u>\$ (3,081,361)</u>	(11.2)

The largest portion of the Police Jury's net position (\$14,438,118 or 59%) reflects its investment in capital assets (e.g. land, buildings, equipment, vehicles and infrastructure), less any related outstanding debt that was used to acquire those assets. The Police Jury uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Police Jury's investments in capital assets are reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Police Jury's combined net position (\$9,291,005 million or 38%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$700,157 is unrestricted net position and may be used to meet the Police Jury's obligations to its citizens and creditors.

At the end of the current fiscal year, the Police Jury is able to report positive balances in all reported categories of net position. The same situation held true for the prior fiscal year.

Governmental Activities The Police Jury's overall net position changed \$(3,081,361) from the prior year. The reasons for this overall decrease are as follows:

- Additional expenses related to the response to Hurricane Laura including debris hauling and monitoring
- Additional expenses related to the response to the COVID-19 pandemic
- Reduced ad valorem tax revenues primarily due to the decrease in the Library's millage rate from 6.40 to 4.90
- Reduced interest earnings due to a decrease in interest rates resulting from the COVID-19 pandemic

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020

Table 2
Changes in Net Position
For the Years Ended December 31,

	<u>2020</u>	<u>2019</u>	<u>Variance</u>	<u>Percent of Change</u>
Revenues:				
Program revenues:				
Charges for services	231,498	260,240	\$ (28,742)	(11.0)
Operating grants and contributions	554,659	431,425	123,234	28.6
Capital grants and contributions	3,210	324,842	(321,632)	(99.0)
General revenues:				
Ad valorem taxes	4,061,263	4,371,868	(310,605)	(7.1)
Sales taxes	2,123,672	2,095,047	28,625	1.4
Severance taxes	677,528	642,619	34,909	5.4
Interest and investment earnings	63,682	298,374	(234,692)	(78.7)
Miscellaneous	396,908	612,017	(215,109)	(35.1)
Total revenues	<u>8,112,420</u>	<u>9,036,432</u>	<u>(924,012)</u>	(10.2)
Functions/Program Expenses:				
General government:				
Legislative	167,763	188,662	(20,899)	(11.1)
Judicial	267,944	302,675	(34,731)	(11.5)
Elections	28,310	36,699	(8,389)	(22.9)
Finance and administrative	427,801	613,323	(185,522)	(30.2)
Other general government	511,345	483,260	28,085	5.8
Public safety	795,047	916,638	(121,591)	(13.3)
Public works	7,378,361	6,043,065	1,335,296	22.1
Health and welfare	215,075	176,967	38,108	21.5
Culture and recreation	1,371,142	1,471,794	(100,652)	(6.8)
Interest on long-term debt	30,993	34,685	(3,692)	(10.6)
Total expenses	<u>11,193,781</u>	<u>10,267,768</u>	<u>926,013</u>	9.0
Increase (decrease) in net position	(3,081,361)	(1,231,336)	(1,850,025)	(150.2)
Net Position, beginning	<u>27,510,641</u>	<u>28,741,977</u>	<u>(1,231,336)</u>	(4.3)
Net Position, ending	<u>\$ 24,429,280</u>	<u>\$ 27,510,641</u>	<u>\$ (3,081,361)</u>	(11.2)

As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$11,193,781, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes and other general revenue was only \$10,404,414 because some of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions \$557,869; by those charged for services \$231,498 and the remaining costs were funded from residual surpluses (beginning net position).

In Table 3, we have presented the cost of each of the Police Jury's six largest functions for fiscal year ended December 31, 2020 – judicial, finance and administration, other general government, public safety, public works, and culture and recreation, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020**

functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Table 3
For the Years Ended December 31,
Governmental Activities**

	Total Cost of Services 2020	Net Cost of Services 2020	Total Cost of Services 2019	Net Cost of Services 2019
Judicial	\$ 267,944	229,587	\$ 302,675	261,585
Finance and administration	427,801	403,535	613,323	613,323
Other general government	511,345	511,345	483,260	483,260
Public safety	795,047	746,042	916,638	849,924
Public works	7,378,361	6,831,402	6,043,065	5,229,746
Culture and recreation	1,371,142	1,247,423	1,471,794	1,376,410
All others	442,141	435,080	437,013	437,013
Totals	\$ 11,193,781	\$ 10,404,414	\$ 10,267,768	\$ 9,251,261

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

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$10,457,064 which is a change of \$(3,268,726) from last year. The primary reasons for the changes in fund balances are:

Our General Fund is our principal operating fund. The fund balance of the General Fund changed (\$355,297) from the \$1,775,235 reported in prior year to \$1,419,938. This decrease is primarily due to capital improvements and equipment associated with the new administrative office building (\$177k), reduced insurance premium tax revenue of (\$90k) due to timing, and reduced insurance claims for damages that occurred in the prior year (\$92k).

The Road Fund is our road maintenance fund. The fund balance in the Road Fund decreased from \$3,380,218 to \$1,598,615. This decrease was primarily due to the cost to respond to damages from Hurricane Laura for storm debris hauling and monitoring (\$1.2M), funding the annual road project (\$239k), reduced ad valorem tax revenue (\$60k), and reduced interest (\$53k).

Our Solid Waste Fund is used to collect, dispose, and maintain garbage throughout Jackson Parish. The fund balance in the Solid Waste Fund decreased from \$856,304 to \$601,665. In comparison with prior year, this decrease was mainly due to land purchased for future bin sites (\$51k), increased dumping fees (\$34k), reduced revenue from recycled wood (\$47k), reduced interest (\$21k), and the construction of an annex building (\$18k).

Our Library Fund accounts for the Parish Library activities. The fund balance changed \$(271,022) thousand from \$4,003,542 to \$3,732,520. This change is primarily due to the decrease in ad valorem taxes (\$357k). The Library's millage rate was reduced from 6.40 levied in 2019 to 4.90 for 2020.

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020**

Our Asphalt Fund accounts for asphaltting parish roads. The fund balance in the Asphalt Fund changed from \$1,822,125 to \$1,211,621. This decrease was primarily due to funding the annual road program (\$230k), increased spending for asphalt supplies (\$118k), reduced ad valorem tax revenue (\$52k), and reduced interest (\$48k).

Nonmajor Governmental Funds, which includes the Health Unit Fund, Landfill Closure Fund, Tourism Fund, Road Sales Tax Fund, Debt Service Fund and capital project funds, changed from \$1,888,366 to \$1,892,705 or less than an 1% increase from prior year.

Budgetary Highlights Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received for the General Fund and major special revenue funds with legally adopted budgets is provided later in this report).

The amounts available for appropriations for the General Fund's final budget were \$855,191 less than the original budget. This is mainly due to the increase in beginning fund balance available for appropriation. The original budget was adopted in 2019. The Jury does not consider funds in the Statutory Reserve in building of the budget. These funds are set aside for bona fide emergency use.

The charges to appropriations for the General Fund final budget were \$1,350,113 thousand less than the original budget. This was mainly due to decreasing transfers to planned capital projects including the construction of two model bin sites. After the declaration of the state of emergency for the pandemic, the Police Jury postponed all major capital projects.

In comparing the General Fund's final budget to actual results, the actual amounts exceeded the budgeted amounts available for appropriations by \$44,402. This was mainly due to timing and estimated final expenses. The Jury deemed it prudent to budget conservatively. Actual charges to appropriations were \$92,215 less than the budget mainly due to the timing of an LGAP grant awarded to the Town of Jonesboro, prisoner housing fees being less than anticipated, and delayed delivery of some equipment purchases.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2020, the Police Jury had \$16,043,118 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions, and depreciation) of \$173,999 or -1.1%, from last year.

**Capital Assets at Year End
Governmental Activities**

	<u>2020</u>	<u>2019</u>	<u>Variance</u>	<u>Percent of Change</u>
Land	\$ 572,064	\$ 491,847	\$ 80,217	16.3
Construction in progress	83,153	345,802	(262,649)	(76.0)
Buildings & Improvements	6,182,311	6,360,520	(178,209)	(2.8)
Vehicles	774,688	909,671	(134,983)	(14.8)
Equipment/Machinery/Furniture	1,593,881	1,273,272	320,609	25.2
Infrastructure/Roads	6,837,021	6,836,005	1,016	0.0
Total net capital assets	<u>\$ 16,043,118</u>	<u>\$ 16,217,117</u>	<u>\$ (173,999)</u>	(1.1)

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2020

This year's major changes include resurfacing of parish roads, capital improvements to the new administrative office, and land purchases for future bin sites. See Note 6 for further information regarding capital assets of the Police Jury at December 31, 2020.

Debt At the end of this year, the Police Jury had \$1,605,000 in certificates of indebtedness outstanding versus \$1,900,000 last year, a decrease of 16%. The certificates are payable over the next 5 years.

The Police Jury also has an obligation for the landfill closure liability at year end. The landfill liability at December 31, 2020 is \$303,594. We present more detailed information about our long-term liabilities in Note 10 and Note 12 in the Notes to the Financial Statements.

The Policy Jury also has liabilities accrued for compensated absences (Note 9) and net pension liability (asset) (Note 7). See the respective note in the Notes to the Financial Statements for detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES The Jackson Parish Police Jury has adopted a budget for 2021 based on historical data and accounting for an economic downturn resulting from the Coronavirus Pandemic. Throughout the year we experienced varying levels of stay-at-home orders as well as staffing issues, public health concerns, and fluctuating revenues. We also experienced Hurricane Laura at the end of 2020 and a state of emergency was declared in early 2021 when we experienced severe ice storms. The exact financial impacts of these disasters are still being felt and the Police Jury cannot fully determine the total impact of the pandemic. The budget is based on conservative revenues and rising expenses.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the Secretary-Treasurer at the Jackson Parish Police Jury, 160 Industrial Drive, Jonesboro, Louisiana 71251, telephone number (318) 259-2361.

BASIC FINANCIAL STATEMENTS

**Government-wide
Financial Statements (GWFS)**

JACKSON PARISH POLICE JURY

**STATEMENT OF NET POSITION
December 31, 2020**

Statement A

**PRIMARY GOVERNMENT
GOVERNMENTAL
ACTIVITIES**

ASSETS:	
Cash and cash equivalents	\$ 7,641,400
Receivables	4,681,190
Prepaid items	49,269
Capital Assets:	
Land	655,217
Capital assets, net of depreciation	<u>15,387,901</u>
TOTAL ASSETS	<u>28,414,977</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows related to pensions	<u>506,415</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>506,415</u>
LIABILITIES:	
Accounts, salaries, and other payables	1,595,786
Security deposits	1,917
Long-term liabilities:	
Due within one year:	
Long-term debt: Certificate of indebtedness and compensated absences	442,899
Due in more than one year:	
Long-term debt: Certificate of indebtedness, compensated absences, and landfill closure	1,727,074
Net pension liability	<u>15,218</u>
TOTAL LIABILITIES	<u>3,782,894</u>
DEFERRED INFLOWS:	
Deferred inflows related to pensions	<u>709,218</u>
TOTAL DEFERRED INFLOWS	<u>709,218</u>
NET POSITION:	
Net investment in capital assets	14,438,118
Restricted for:	
Road maintenance	2,958,828
Waste management	601,665
Library	3,806,970
Health unit	476,633
Landfill closure	715,854
Tourism	130,576
Pavilion/Riding Arena	250,000
Grand jury and witness fees	18,692
Debt Service	331,787
Unrestricted	<u>700,157</u>
TOTAL NET POSITION	<u>\$ 24,429,280</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

JACKSON PARISH POLICE JURY
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
<i>Primary Government:</i>					
<i>Governmental Activities:</i>					
General government:					
Legislative	\$ 167,763	\$ -	\$ -	\$ -	\$ (167,763)
Judicial	267,944	26,607	11,750	-	(229,587)
Elections	28,310	-	-	-	(28,310)
Finance and administrative	427,801	-	24,266	-	(403,535)
Other general government	511,345	-	-	-	(511,345)
Public safety	795,047	-	49,005	-	(746,042)
Public works	7,378,361	182,367	361,382	3,210	(6,831,402)
Health and welfare	215,075	-	7,061	-	(208,014)
Culture and recreation	1,371,142	22,524	101,195	-	(1,247,423)
Interest on long-term debt	30,993	-	-	-	(30,993)
	\$ 11,193,781	\$ 231,498	\$ 554,659	\$ 3,210	(10,404,414)
General revenues:					
Taxes:					
Ad valorem taxes					4,061,263
Sales and use taxes					2,123,672
State revenue sharing					108,133
Severance tax					677,528
Miscellaneous taxes					145,880
Licenses and permits					10,595
Interest and investment earnings					63,682
Miscellaneous					132,300
Total general revenues					7,323,053
Change in net position					(3,081,361)
Net position - beginning					27,510,641
Net position - ending					\$ 24,429,280

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Jackson Parish Police Jury

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

JACKSON PARISH POLICE JURY

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2020

	GENERAL	ROAD FUND	SOLID WASTE
ASSETS:			
Cash and cash equivalents	\$ 480,932	\$ 1,620,049	\$ 435,856
Receivables	1,259,745	1,192,389	240,224
Prepaid items	-	-	-
TOTAL ASSETS	1,740,677	2,812,438	676,080
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other payables	238,244	1,133,044	74,415
Security deposits	600	1,317	-
TOTAL LIABILITIES	238,844	1,134,361	74,415
Deferred Inflows of Resources:			
Unavailable Revenue-property taxes	81,895	79,462	-
TOTAL DEFERRED INFLOWS OF RESOURCES	81,895	79,462	-
Fund balances:			
Nonspendable	-	-	-
Restricted	18,692	1,598,615	601,665
Committed	300,000	-	-
Unassigned	1,101,246	-	-
TOTAL FUND BALANCES	1,419,938	1,598,615	601,665
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,740,677	\$ 2,812,438	\$ 676,080

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 2,934,154	\$ 418,310	\$ 1,752,099	\$ 7,641,400
950,771	882,837	155,224	4,681,190
49,269	-	-	49,269
<u>3,934,194</u>	<u>1,301,147</u>	<u>1,907,323</u>	<u>12,371,859</u>
127,224	20,396	2,463	1,595,786
-	-	-	1,917
<u>127,224</u>	<u>20,396</u>	<u>2,463</u>	<u>1,597,703</u>
74,450	69,130	12,155	317,092
<u>74,450</u>	<u>69,130</u>	<u>12,155</u>	<u>317,092</u>
49,269	-	-	49,269
3,683,251	1,211,621	1,892,695	9,006,539
-	-	10	300,010
-	-	-	1,101,246
<u>3,732,520</u>	<u>1,211,621</u>	<u>1,892,705</u>	<u>10,457,064</u>
<u>\$ 3,934,194</u>	<u>\$ 1,301,147</u>	<u>\$ 1,907,323</u>	<u>\$ 12,371,859</u>

Jackson Parish Police Jury

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JACKSON PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2020**

Statement D

Total fund balance, governmental funds \$ 10,457,064

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

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

Costs of capital assets	\$ 46,023,022	
Accumulated depreciation	<u>(29,979,904)</u>	
		16,043,118

Long-term assets that are not available to pay current period expenditures are reported as deferred inflows of resources: unavailable revenue - property taxes in the governmental funds and are reported as revenue in the government-wide statements. 317,092

Deferred outflows of resources are not available to pay current period expenditures and accordingly are not reported in the governmental funds. 506,415

Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the governmental funds. (709,218)

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - Net Position.

Long-term liabilities balances at December 31, 2020 are:

Certificates of indebtedness	(1,605,000)	
Compensated absences payable	(261,379)	
Estimated liability for landfill closure	(303,594)	
Net pension liability	<u>(15,218)</u>	
		<u>(2,185,191)</u>

Net position of governmental activities \$ 24,429,280

JACKSON PARISH POLICE JURY

**Governmental Funds
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2020**

	GENERAL	ROAD FUND	SOLID WASTE
REVENUES			
Local Sources:			
Taxes:			
Ad valorem	\$ 1,017,816	\$ 988,405	\$ -
Sales and use	-	849,469	1,274,203
Other taxes, penalties and interest	119,720	-	-
Licenses and permits	10,595	-	-
Intergovernmental revenues:			
State funds:			
Severance taxes	677,528	-	-
Parish transportation funds	-	247,882	-
State revenue sharing	23,466	24,096	-
State aid grants	11,750	-	-
Federal revenue	73,271	28,474	56,552
Fees, charges, and commissions for services	31,169	-	182,367
Fines and forfeitures	3,223	-	-
Miscellaneous revenues	97,734	35,785	23,913
Use of money and property	5,860	14,498	5,302
TOTAL REVENUES	2,072,132	2,188,609	1,542,337
EXPENDITURES			
Current:			
General government:			
Legislative	162,019	-	-
Judicial	285,786	-	-
Elections	27,133	-	-
Finance and administration	403,659	-	-
Other general government	490,616	-	-
Public safety	778,246	-	-
Public works	-	2,791,172	1,707,370
Health and welfare	28,395	-	-
Culture and recreation	22,733	-	-
Capital outlay	237,260	1,327,402	68,144
Debt service:			
Principal retirement	-	-	-
Interest and bank charges	-	-	-
TOTAL EXPENDITURES	2,435,847	4,118,574	1,775,514
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (363,715)	\$ (1,929,965)	\$ (233,177)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 928,443	\$ 859,893	\$ 151,189	\$ 3,945,746
-	-	-	2,123,672
-	-	-	119,720
-	-	-	10,595
-	-	-	677,528
-	-	-	247,882
27,436	20,980	-	95,978
6,775	-	27,775	46,300
39,359	28,474	7,061	233,191
14,739	-	-	228,275
-	-	-	3,223
31,622	505	3,299	192,858
16,953	13,150	7,919	63,682
<u>1,065,327</u>	<u>923,002</u>	<u>197,243</u>	<u>7,988,650</u>
-	-	-	162,019
-	-	-	285,786
-	-	-	27,133
-	-	-	403,659
-	-	-	490,616
-	-	-	778,246
-	1,070,555	3,210	5,572,307
-	-	165,479	193,874
1,253,196	-	16,471	1,292,400
83,153	-	9,384	1,725,343
-	-	295,000	295,000
-	-	30,993	30,993
<u>1,336,349</u>	<u>1,070,555</u>	<u>520,537</u>	<u>11,257,376</u>
<u>\$ (271,022)</u>	<u>\$ (147,553)</u>	<u>\$ (323,294)</u>	<u>\$ (3,268,726)</u>

(Continued)

JACKSON PARISH POLICE JURY

**Governmental Funds
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2020**

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 10,000	\$ 462,951	\$ -
Transfers out	<u>(1,582)</u>	<u>(314,589)</u>	<u>(21,462)</u>
Total Other Financing Sources (Uses)	<u>8,418</u>	<u>148,362</u>	<u>(21,462)</u>
Net Change in Fund Balances	(355,297)	(1,781,603)	(254,639)
FUND BALANCES - BEGINNING	<u>1,775,235</u>	<u>3,380,218</u>	<u>856,304</u>
FUND BALANCES - ENDING	<u>\$ 1,419,938</u>	<u>\$ 1,598,615</u>	<u>\$ 601,665</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

<u>LIBRARY</u>	<u>ASPHALT FUND</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 337,633	\$ 810,584
-	(462,951)	(10,000)	(810,584)
-	(462,951)	327,633	-
(271,022)	(610,504)	4,339	(3,268,726)
4,003,542	1,822,125	1,888,366	13,725,790
<u>\$ 3,732,520</u>	<u>\$ 1,211,621</u>	<u>\$ 1,892,705</u>	<u>\$ 10,457,064</u>

(Concluded)

JACKSON PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2020**

		Statement F
Total net change in fund balances - governmental funds		\$ (3,268,726)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the period:		
Capital outlay	\$ 1,965,817	
Depreciation expense	<u>(2,109,754)</u>	(143,937)
In the Statement of Activities, scrapping of capital assets are reported as a gain or lost net of book value. Whereas in the governmental funds, there is no recognition because there is no inflow/outflow of current financial resources:		
Cost of assets scrapped	(613,085)	
Accumulated depreciation	<u>583,023</u>	(30,062)
Net loss		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		127,672
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		295,000
In the Statement of Activities, the estimated liability and expense for landfill closure is based on the landfill capacity to used to date. Whereas in the governmental funds, there is no recognition because there is no inflow/outflow of current financial resources.		(13,827)
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.		(12,023)
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		<u>(35,458)</u>
Change in net position of governmental activities		<u>\$ (3,081,361)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020**

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Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The Jackson Parish Police Jury (the Police Jury) is the governing authority for Jackson Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by seven jurors representing the various districts within the parish who are elected to serve four-year terms.

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

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

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

Governmental Accounting Standards Board (GASB) Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the Jackson Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

**Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020**

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

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
Jackson Parish Library	Blended	December 31, 2020	1a
Not included within the reporting entity:			
Jackson Parish Hospital Service District #1	Not included	September 30, 2020	1a
Jackson Parish Recreation District	Not included	December 31, 2020	1a
Ward 2 Fire Protection District	Not included	December 31, 2020	1a
Ward 3 Fire Protection District	Not included	December 31, 2020	1a
Ward 4 Fire Protection District	Not included	December 31, 2020	1a
Quitman Fire Protection District No. 1	Not included	December 31, 2020	1a
Jonesboro Fire Protection District No. 1	Not included	June 30, 2020	1a
Jackson Parish Ambulance Service District	Not included	December 31, 2020	1a
Jackson Parish Watershed District	Not included	December 31, 2020	1a
Jackson Parish Assessor	Not included	December 31, 2020	2
Jackson Parish Clerk of Court	Not included	June 30, 2020	2

The Police Jury has chosen not to include the component units listed above in its basic financial statements. The financial statements only present data of the primary government; however, the data of the component units is necessary in order for the Police Jury to report in conformity with GAAP. If these component units were included, it would be through discrete presentation. Separate financial statements may be obtained from the respective governments.

Considered in the determination of component units of the reporting entity were the Jackson Parish School Board, Jackson Parish Communications District, Jackson Parish Sales Tax Agency, Jackson Parish Council on Aging, Jackson Parish Sheriff, the District Attorney and Judges for the Second Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Jackson Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jackson Parish Police Jury.

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

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

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

Road Fund - The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, sales and use tax, parish transportation funds provided by the State, state revenue sharing funds, issuance of debt, operation transfers from the general fund, interest earned on investments, and miscellaneous revenues.

Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020

Solid Waste Fund - The solid waste fund accounts for the construction, maintenance and operation of the solid waste system. Funding is provided by a parish-wide sales tax, fees charged for services, interest on investments, and other miscellaneous revenues.

Library Fund - The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

Asphalt Fund - The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, miscellaneous revenues and interest earned on investments.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

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

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

Fund Financial Statements (FFS)

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

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

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

Sales taxes are susceptible to accrual.

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

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

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

Substantially all other revenues are recognized when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

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

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

D. ENCUMBRANCES Outstanding encumbrances' lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net position and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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H. INVENTORIES AND PREPAID ITEMS Inventories are valued at cost using the first-in/first-out method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the governmental-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. CAPITAL ASSETS Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value) for items over the thresholds listed below. Donated capital assets are recorded at their acquisition value at the date of donation. General and infrastructure assets (e.g. roads, bridges, and other assets that are immovable and of value only to the government) are capitalized and valued at historical cost or estimated historical cost. The Police Jury elected not to retroactively report major general infrastructure assets. Interest during construction was not capitalized on capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

<u>Asset Category</u>	<u>Threshold</u>	<u>Useful Life</u>
Vehicles	\$ 5,000	7 years
Heavy Equipment: Machinery/Device	5,000	5 years
Heavy Equipment: Industrial Fixture	10,000	25 years
Building Purchase or Construction	15,000	40 years
Building Improvements	15,000	20 years
Infrastructure: Land Improvements	15,000	15 years
Infrastructure: Parish Roads	20,000	10 years
Infrastructure: Model Bin Site	20,000	20 years
Office Equipment/Furniture	5,000	7 years
Computers/IT Equipment	5,000	3 years
Internal Use Software (Minor)	5,000 to 25,000	5 years
Internal Use Software (Major)	Over 25,000	10 years
Books, Periodicals and Law Books	5,000	5 years
Library Books/Equipment/Furniture	1,000	3 to 7 years

In cases where a purchase is made and the specific life expectancy is established that does not agree to the above table, the useful life will be adjusted to match the established life of the asset.

J. COMPENSATED ABSENCES All full-time employees of the Police Jury earn annual leave at rates varying from ten to twenty-one days per year, depending on length of service. Employees may accumulate and carry forward no more than twenty days of annual leave. All full-time permanent employees earn five to twenty-one days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees. Upon retirement, resignation, termination or death, an employee (or beneficiary) will be paid for a maximum of 160 hours (20 days) of unused vacation leave that an employee has accrued on the date of his/her separation.

Full-time employees of the Jackson Parish Library earn from ten to 20 days of annual leave, depending on their length of service with the library. Part-time employees working 20 hours or more per week earn one-half of full-time employee leave each year. Vacation leave can be accumulated up to 25 days. All 12-month employees earn 12 days of sick leave each year. Sick leave can be accumulated up to 60 days. Sick leave lapses upon termination of employment.

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The cost of leave privileges, computed in accordance with the previous codification, is recognized as current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

The Police Jury's recognition and measurement criteria for compensated absences are as follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

The employees' right to receive compensation is attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

K. LIABILITIES For government-wide reporting, the costs associated with the bonds, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred as established by GASB No. 65.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow or resources (expense/expenditure) until then. The Police Jury has one item, deferred outflows related to pensions that qualifies in this category and is reported only in the governmental activities.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. The Police Jury has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet as unavailable property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Police Jury also has one item, deferred inflows related to pensions that qualifies in this category and is reported only in the governmental activities.

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M. PENSION PLAN For purposes measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted if either of the following conditions exist:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Restrictions are imposed by law through constitutional provisions or enabling legislation.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restricted net position reported in the statement of net position for road maintenance, waste management, library and health unit are restricted by enabling legislation.

O. FUND BALANCES OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Police Jury's highest level of decision making authority. The Jury is the highest level of decision making authority of the Police Jury that can, by adoption of a resolution prior to fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Jury removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the Police Jury's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Jury.

Unassigned: Fund balance that is the residual classification for the general fund.

The Police Jury considers restricted amounts to have been spent when an expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available. The Police Jury reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

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

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Q. SALES TAXES The Police Jury has a 4/10% sales and use tax, which was passed by the voters on April 20, 1996, for a period of ten years. The net proceeds of the tax (after necessary costs of collection) are to be used to black top or seal parish roads and streets. The Policy Jury has a 6/10% sales and use tax, which was passed by the voters on April 20, 1996 for a period of 10 years. The net proceeds of the tax (after necessary costs of collection) are to be used for waste management. Both of these sales taxes were renewed in 2005 and again in 2015 for a period of 10 years.

R. 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds The following funds had actual expenditures which exceeded budgeted expenditures for the year ended December 31, 2020:

Fund	Budget	Actual	Variance
Solid Waste	\$ 1,776,657	\$ 1,796,976	\$ (20,319)

The negative budget variance is a result of expenditures exceeding the budget in the last month of the year.

NOTE 3 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within Jackson Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Jackson Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Jackson Parish sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Jury Levy date	August 10, 2020
Tax bills mailed	On or about November 1, 2020
Due date	December 31, 2020
Lien date	January 1, 2021
Tax sale –delinquent property	June 24, 2020

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed in 2020. Total assessed value was \$225,044,370 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$22,464,780 of the assessed value in calendar year 2020.

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

All property taxes are recorded in the general fund, road, library, asphalt, and nonmajor governmental (health unit) funds. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2020 property taxes to be collected occurs in December and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of the maximum millages allowed and the amounts levied for ad valorem taxes for the year ended December 31, 2020:

	Maximum Allowed <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
Parish-wide taxes:			
Parish general	5.51	5.39	-
Roads and bridges	5.23	5.23	2029
Road asphalt/paving	4.55	4.55	2029
Library & bookmobile	9.14	4.90	2028
Health Unit	0.82	0.80	2022
Forest protection	8 cents/acre	8 cents/acre	-

NOTE 4 - CASH DEPOSITS At December 31, 2020, the Police Jury had cash and cash equivalents (book balances) of \$7,641,400.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2020, the Police Jury had a bank balance of \$8,135,222 of which \$7,635,222 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Police Jury's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon request. The Police Jury's policy does not address custodial credit risk.

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NOTE 5 - RECEIVABLES The following is a summary of receivables at December 31, 2020:

	<u>Ad Valorem</u>	<u>Sales Tax</u>	<u>Federal</u>	<u>State</u>	<u>Other local</u>	<u>Total</u>
General Fund	\$ 1,045,822	\$ -	\$ 55,728	\$ 119,862	\$ 38,333	\$ 1,259,745
Road Fund	1,014,778	177,011	-	-	600	1,192,389
Solid Waste	-	237,814	-	-	2,410	240,224
Library	950,771	-	-	-	-	950,771
Asphalt Fund	882,837	-	-	-	-	882,837
Nonmajor Governmental	155,224	-	-	-	-	155,224
Total	<u>\$ 4,049,432</u>	<u>\$ 414,825</u>	<u>\$ 55,728</u>	<u>\$ 119,862</u>	<u>\$ 41,343</u>	<u>\$ 4,681,190</u>

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

NOTE 6 - CAPITAL ASSETS The following schedule presents changes in capital assets for the Police Jury:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 491,847	\$ 80,217	\$ -	\$ 572,064
Construction in progress	345,802	83,153	345,802	83,153
Total capital assets, not being depreciated	<u>837,649</u>	<u>163,370</u>	<u>345,802</u>	<u>655,217</u>
Capital assets, being depreciated:				
Buildings & Improvements	10,379,760	112,344	-	10,492,104
Vehicles	3,360,435	27,227	-	3,387,662
Equipment/Machinery/Furniture	5,046,190	681,276	290,339	5,437,127
Infrastructure/Roads	25,046,256	1,327,402	322,746	26,050,912
Total capital assets, being depreciated	<u>43,832,641</u>	<u>2,148,249</u>	<u>613,085</u>	<u>45,367,805</u>
Less accumulated depreciation:				
Buildings & Improvements	4,019,240	290,553	-	4,309,793
Vehicles	2,450,764	162,210	-	2,612,974
Equipment/Machinery/Furniture	3,772,918	330,605	260,277	3,843,246
Infrastructure/Roads	18,210,251	1,326,386	322,746	19,213,891
Total	<u>28,453,173</u>	<u>2,109,754</u>	<u>583,023</u>	<u>29,979,904</u>
Total capital assets, being depreciated, net	<u>15,379,468</u>	<u>38,495</u>	<u>30,062</u>	<u>15,387,901</u>
Governmental activities capital assets, net	<u>\$16,217,117</u>	<u>\$ 201,865</u>	<u>\$ 375,864</u>	<u>\$ 16,043,118</u>

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Depreciation expense was charged to governmental activities for the Police Jury as follows:

Legislative	\$ 5,744
Judicial	9,385
Elections	1,177
Finance and administrative	18,401
Other general government	17,013
Public safety	28,801
Public works	1,745,603
Health and welfare	19,848
Culture and recreation	263,782
Total	<u>\$ 2,109,754</u>

NOTE 7 - PENSION PLAN The Police Jury is a participating employer in a statewide, public employee retirement system, the Parochial Employees' Retirement System of Louisiana (System). The System has a separate board of trustees and administers a cost-sharing, multiple-employer defined benefit pension plan. The System is composed of two plans, Plan A and Plan B, with separate asset and benefit provisions. All employees of the Police Jury are members of Plan A. The authority to establish and amend the benefit terms of the System was granted to the Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. The System issues a public report that includes financial statements and required supplementary information. Copies of the report for the System may be obtained at www.persla.org.

Plan Descriptions/Benefits Provided:

The System administers a plan to provide retirement, disability, and survivor's benefits to employees of taxing districts of a parish or any branch or section of a parish within the state which does not have their own retirement system and which elect to become members of the System. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1901 and vary depending on the member's hire date.

A member who joined the System on or before January 1, 2007 is eligible for normal retirement if the member has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 10 years of creditable service and is at least age 60, or 7 years of creditable service and is at least age 65. A member who joined the System on or after January 1, 2007 is eligible for normal retirement if the member has at least 30 years of creditable service and is at least age 55, 10 years of creditable service and is at least age 62, or 7 years of creditable service and is at least age 67.

Generally, the monthly amount of the retirement allowance shall consist of an amount equal to 3% of the member's final average compensation multiplied by the member's years of creditable service. However, under certain conditions as outlined in the statutes the benefits are limited to specified amounts.

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the State Medical Disability Board. A member who joins the system on or after January 1, 2007, must have at least 7 years of service to qualify for disability benefits.

Upon the death of a member with five or more years of creditable service who is not eligible for retirement, the plan provides benefits for surviving spouses and minor children, as outlined in the statutes.

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Deferred Retirement Option Plan:

In lieu of terminating employment and accepting a service retirement, any member who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for 3 years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at the participant's option, a lump sum from the account equal to the payments into the account, a true annuity based upon the account balance in that fund, or roll over the fund to an individual retirement account.

Cost of Living Adjustments

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Contributions for all members are established by statute at 9.5% of compensation and are deducted from the member's salary and remitted by the participating employer. According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actuarially determined contribution rate was 11.11% of member's compensation. However, the actual rate for fiscal year ending December 31, 2020 was 12.25% or \$265,400. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities. The Police Jury's proportionate share of nonemployer contributions was \$26,160 and was recognized as revenue by the Police Jury.

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

At December 31, 2020, the Police Jury reported a net pension liability (asset) of \$15,218 for its proportionate share of the Net Pension Liability (NPL). The NPL will be liquidated through contributions to the pension plan from the governmental fund in which the related salary was paid. The NPL was measured as of December 31, 2019, and the total pension liability used to calculate the NPL was determined by actuarial valuations as of that date. The Police Jury's proportions of the NPL were based on projections of the Police Jury's long-term share of contributions to the pension plan relative to the projected contribution of all participating employers, actuarially determined. As of December 31, 2019, the most recent measurement date, the Police Jury's proportion was 0.323268% and the changes in proportion from the prior measurement date was an increase of 0.020765%.

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For the year ended December 31, 2020, the Police Jury recognized a total pension expense of \$303,583. The Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ -	\$ 136,231
Changes in assumptions	212,534	-
Net difference between projected and actual earnings on pension plan investments	-	570,439
Changes in proportion and differences between employer contributions and proportionate share of contributions	28,481	2,548
Employer contributions subsequent to the measurement date	265,400	-
Total	\$ 506,415	\$ 709,218

Deferred outflows of resources related to pensions resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended December 31, 2021. 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,	Amount
2021	\$ (100,361)
2022	(133,300)
2023	22,278
2024	(256,820)

Actuarial Assumptions: A summary of the actuarial methods and assumptions used in determining the total pension liability in the December 31, 2019 valuation are as follows:

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.50%, net of investment expense, including inflation
Inflation Rate	2.40%
Mortality	For annuitant and beneficiary mortality, the Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees was used. For disabled annuitants, the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees was used. These mortality tables were multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.
Termination, Disability, Retirement	Projected based on a 5 year (January 1, 2013 - December 31, 2017) experience study
Projected Salary Increases	4.75% (2.35% Merit/2.40% Inflation)
Cost of Living Adjustments	Not substantively automatic

**Jackson Parish Police Jury
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December 31, 2020**

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

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real assets	2%	0.11%
Totals	<u>100%</u>	<u>5.18%</u>
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u><u>7.18%</u></u>

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the Police Jury's proportionate share of the NPL using the current discount rate as well as what the Police Jury's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

1% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
\$ 1,644,753	\$ 15,218	\$ (1,350,301)

Pension plan fiduciary net position. Detailed information about fiduciary net position is available in the separately issued financial report referenced above.

Payables to the Pension Plan. At December 31, 2020, the Police Jury \$45,731 in payables for employee and employer legally required contributions.

Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020

NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES The following is a summary of payables at December 31, 2020:

	General Fund	Road Fund	Solid Waste	Library Fund	Asphalt Fund	Nonmajor Governmental	Total
Vendor Payable	\$ 162,740	\$ 1,119,721	\$ 50,791	\$108,289	\$ 7,073	\$ 628	\$ 1,449,242
Salaries and Benefits Payable	75,504	13,323	23,624	18,935	13,323	1,835	146,544
	<u>\$ 238,244</u>	<u>\$ 1,133,044</u>	<u>\$ 74,415</u>	<u>\$ 127,224</u>	<u>\$ 20,396</u>	<u>\$ 2,463</u>	<u>\$ 1,595,786</u>

NOTE 9 - COMPENSATED ABSENCES Employees of the Police Jury had accumulated and vested \$261,379 of employee leave benefits at December 31, 2020, which includes \$3,736 of employee related benefits. These benefits were computed in accordance with GASB Codification, Section C60. This amount has been recorded as a long-term obligation.

NOTE 10 - LONG-TERM DEBT The following is a summary of the long-term debt transactions and balances for the year ended December 31, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Direct placement and borrowings:					
Certificate of indebtedness	\$ 1,900,000	\$ -	\$ 295,000	\$ 1,605,000	\$ 305,000
Compensated absences	225,921	173,357	137,899	261,379	137,899
Estimated liability for landfill closure	289,767	13,827	-	303,594	-
Total Long-term liabilities	<u>\$ 2,415,688</u>	<u>\$ 187,184</u>	<u>\$ 432,899</u>	<u>\$ 2,169,973</u>	<u>\$ 442,899</u>

Principal and interest payments on the certificate of indebtedness are paid by the Debt Service Fund which is funded through transfers from the Road Fund.

Compensated absences are liquidated by the General Fund, Road Fund, Solid Waste Fund, Library Fund, and Nonmajor Governmental (Health Unit).

On June 22, 2015, the Police Jury issued \$3,000,000 in certificate of indebtedness, series 2015 for the purpose of constructing and improving the Police Jury's roads and bridges. The certificates mature serially beginning June 1, 2016 with final payment due June 1, 2025. Interest rates range from 0.729% for certificates due June 1, 2016 to 2.066% for certificates due June 1, 2025.

Future debt service requirements for payment of principal and interest are due as follows:

Year Ending December 31,	Principal Payments	Interest Payments	Total
2021	\$ 305,000	\$ 26,787	\$ 331,787
2022	310,000	21,945	331,945
2023	320,000	16,408	336,408
2024	330,000	10,249	340,249
2025	340,000	3,512	343,512
	<u>\$ 1,605,000</u>	<u>\$ 78,901</u>	<u>\$ 1,683,901</u>

**Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020**

NOTE 11 - LEASES The Jackson Parish Police Jury had the following operating leases for the fiscal year ended December 31, 2020:

<u>Asset</u>	<u>Contract Date</u>	<u>Term</u>	<u>Monthly Rental</u>	<u>Minimum Rental Payment for December 31, 2020</u>
John Deere Bull Dozer	November 29, 2016	48 months	1,348	\$ 13,477
Two John Deere Motor Graders	November 15, 2018	36 months	4,659	55,910
Caterpillar Mini Excavator	January 1, 2019	48 months	1,073	12,878
Volvo ECR Compact Excavator	January 17, 2019	36 months	2,200	26,400
Kenworth Dump Truck	February 4, 2019	48 months	1,850	22,200
Caterpillar CW16 Roller	February 20, 2019	48 months	1,210	14,520
Caterpillar 316 FL Trackhoe	March 14, 2019	48 months	2,246	26,952
Caterpillar 315 FL Excavator	June 1, 2019	48 months	2,246	26,952
Total				<u>\$ 199,289</u>

The future minimum rental payments are as follows:

<u>Year Ending</u>	<u>Future Minimum Rental Payment</u>
2021	\$ 181,152
2022	105,701
2023	19,992
Total	<u>\$ 306,845</u>

NOTE 12 - SOLID WASTE LANDFILL COSTS State and federal laws and regulations require the Jackson Parish Police Jury to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for three years after closure.

The Jackson Parish Landfill is a Type III facility that accepts only construction and demolition debris. The Jackson Parish Landfill has an estimated final closing during fiscal year 2034 (approximately 13 years remaining). The current permit expires December 17, 2028.

The estimated liability for landfill closure and post closure care costs has a balance of \$303,594 as of December 31, 2020, which is based on 42.4% usage of the landfill. The recognition of the liability for closure and post closure cost is based on landfill capacity used to date.

The estimated total cost of the landfill closure and post closure care is \$715,854. This is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2020. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Jackson Parish Police Jury has established a special revenue fund to account for the contributions to finance closure costs and post closure care. The Jackson Parish Police Jury has funded \$715,854 of the estimated closure costs as of December 31, 2020.

**Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020**

NOTE 13 - INTERFUND TRANSACTIONS

Transfers In/Out: Operating transfers for the year ended December 31, 2020, were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Nonmajor Governmental	\$ 10,000
Road Fund	Asphalt Fund	462,951
Nonmajor Governmental	General Fund	1,582
Nonmajor Governmental	Road Fund	314,589
Nonmajor Governmental	Solid Waste	21,462
Totals		<u>\$ 810,584</u>

The purpose of the interfund transfers are as follows:

- Nonmajor governmental fund (Pavilion/Riding Arena) transferred the \$10,000 excess committed funds back to the General fund.
- The Asphalt fund transferred \$462,951 to the Road fund to fund current year road projects.
- The General fund transferred \$1,582 to the Nonmajor Governmental fund (Capital Projects fund) to cover the fund's shortfall.
- The Road fund transferred \$314,589 to Nonmajor Governmental fund (Debt Service fund) for principal and interest payments.
- The Solid Waste fund transferred \$21,462 to the Nonmajor Governmental fund (Landfill Closure fund) to increase the reserves to cover the increase in estimated closure costs.

NOTE 14 - LITIGATION AND CLAIMS

Litigation – The Police Jury is a defendant in several lawsuits. Management and legal counsel for the Police Jury believe that the potential claims against the Police Jury not covered by insurance would not materially affect the Police Jury's financial position.

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

NOTE 15 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 16 - NEW GASB STANDARD In May 2020, the Governmental Accounting Standards Board issued Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement extended the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides. The primary objective of GASB Statement No. 95 was to provide temporary relief to governments and other stakeholders in the light of the COVID-19 pandemic. The Police Jury implemented this Statement for fiscal year ended December 31, 2020.

Jackson Parish Police Jury
Notes to the Financial Statements
December 31, 2020

NOTE 17 - FUND BALANCE CLASSIFICATION DETAILS

	General	Road Fund	Solid Waste	Library	Asphalt Fund	Nonmajor Governmental	Total
Nonspendable:							
Prepaid items	\$ -	\$ -	\$ -	\$ 49,269	\$ -	\$ -	\$ 49,269
Restricted:							
Road maintenance	-	1,598,615	-	-	1,211,621	-	2,810,236
Solid waste	-	-	601,665	-	-	-	601,665
Library	-	-	-	3,683,251	-	-	3,683,251
Health unit	-	-	-	-	-	464,478	464,478
Landfill closure	-	-	-	-	-	715,854	715,854
Tourism	-	-	-	-	-	130,576	130,576
Pavilion/Riding Arena	-	-	-	-	-	250,000	250,000
Court and witness fees	18,692	-	-	-	-	-	18,692
Debt service	-	-	-	-	-	331,787	331,787
Committed:							
Contingencies	300,000	-	-	-	-	-	300,000
Facility improvements	-	-	-	-	-	10	10
Unassigned	1,101,246	-	-	-	-	-	1,101,246
Total	<u>\$ 1,419,938</u>	<u>\$ 1,598,615</u>	<u>\$ 601,665</u>	<u>\$ 3,732,520</u>	<u>\$ 1,211,621</u>	<u>\$ 1,892,705</u>	<u>\$ 10,457,064</u>

NOTE 18 - TAX ABATEMENTS The Police Jury is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended December 31, 2020 by authorized millage is as follows:

<u>Tax Code</u>	<u>Millage</u>	<u>Assessed Valuate Lost to ITEP</u>	<u>Estimated Tax Dollar Lost to ITEP</u>
Parish general	5.39	\$ 30,464,640	\$ 164,204
Roads & bridges	5.23	30,464,640	159,330
Roads asphalt/paving	4.55	30,464,640	138,614
Library & bookmobile	4.90	30,464,640	149,277
Health Unit	0.80	30,464,640	24,372
			<u>\$ 635,797</u>

NOTE 19 – CHANGE IN PRESENTATION For 2020, the Police Jury combined Road Sales Tax Fund with Road Fund for reporting purposes and is no longer reported as a separate nonmajor special revenue fund. This reporting change was made because the sales tax revenues and collection fees are accounted for in the Road Sales Tax Fund and then the residual balance is transferred to the Road Fund to cover current year road projects.

Jackson Parish Police Jury

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REQUIRED SUPPLEMENTARY INFORMATION

Jackson Parish Police Jury

**Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)
Last Six Years**

Exhibit 1-1

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	0.306734%	\$ 85,899	\$ 1,564,644	5.49%	99.15%
2016	0.302500%	796,267	1,734,414	45.91%	92.23%
2017	0.295510%	608,607	1,752,538	34.73%	94.15%
2018	0.306569%	(227,550)	1,846,305	-12.32%	101.98%
2019	0.302503%	1,342,617	1,890,738	71.01%	88.86%
2020	0.323268%	15,218	2,049,769	0.74%	99.89%

Notes:

The amounts presented have a measurement date of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Jackson Parish Police Jury

**Schedule of Employer Contributions to Pension Plan
Last Six Years**

Exhibit 1-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$ 251,490	\$ 251,490	\$ -	\$ 1,734,414	14.50%
2016	227,830	227,830	-	1,752,538	13.00%
2017	230,789	230,789	-	1,846,305	12.50%
2018	217,435	217,435	-	1,890,738	11.50%
2019	235,724	235,724	-	2,049,769	11.50%
2020	265,400	265,400	-	2,166,531	12.25%

Notes:

The amounts presented were determined of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Jackson Parish Police Jury

Notes to Required Supplemental Information for Pensions

Changes in Benefit Terms: A 2.5% COLA effective January 1, 2015, provided by State statutes. This COLA is reflected in amounts reported after 2015.

Change in Assumptions: The following is a detail description of the changes in assumptions:

Report Date	Valuation Date	Investment Rate of Return	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31,							
2015	2014	7.25%	3.00%	RP-2000 Healthy Annuitant Mortality Table set back 1 year for males and RP-2000 Combined Healthy Female Table for females	RP-2000 Employee Mortality Table set back 1 year for males and females	RP-2000 Disabled Lives Mortality Table	5.75%
2016 & 2017	2015 & 2016	7.00%	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables set forward 2 years for males and set forward 1 year for females projected to 2031 using Scale AA	RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
2018	2017	6.75%	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables set forward 2 years for males and set forward 1 year for females projected to 2031 using Scale AA	RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
2019 & 2020	2018 & 2019	6.50%	2.40%	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale	4.75%

Jackson Parish Police Jury

Budgetary Comparison Schedules

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

GENERAL FUND

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

ROAD FUND

The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, a sales and use tax, parish transportation funds provided by the state, state revenue sharing funds, issuance of debt, operating transfers from the general fund, interest earned on investments and miscellaneous revenues.

SOLID WASTE FUND

The solid waste fund accounts for the construction, maintenance and operation of solid waste system. Funding is provided by a parish-wide sales tax, fees charged for services, interest on investments, and other miscellaneous revenues.

LIBRARY FUND

The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

ASPHALT FUND

The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, miscellaneous revenues and interest earned on investments.

JACKSON PARISH POLICE JURY

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2020**

Exhibit 2-1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,629,181	\$ 1,775,235	\$ 1,775,235	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	986,262	947,196	1,017,816	70,620
Other taxes, penalties and interest	160,300	111,299	119,720	8,421
Licenses and permits	9,266	10,256	10,595	339
Intergovernmental revenues:				
State funds:				
Severance taxes	675,000	650,000	677,528	27,528
State revenue sharing	21,000	21,000	23,466	2,466
State aid grants	32,000	57,450	11,750	(45,700)
Federal revenue	56,747	99,680	73,271	(26,409)
Fees, charges, and commissions for services	29,000	28,337	31,169	2,832
Fines and forfeitures	8,400	3,165	3,223	58
Miscellaneous revenues	23,000	93,500	97,734	4,234
Use of money and property	33,000	5,847	5,860	13
Transfers in	5,000	10,000	10,000	-
	<u>4,668,156</u>	<u>3,812,965</u>	<u>3,857,367</u>	<u>44,402</u>
Amounts available for appropriations				
Charges to appropriations (Outflows)				
Current:				
General government:				
Legislative	231,882	159,051	162,019	(2,968)
Judicial	316,767	289,628	285,786	3,842
Elections	27,822	27,292	27,133	159
Finance and administration	568,425	634,593	403,659	230,934
Other general government	614,524	488,141	490,616	(2,475)
Public safety	730,829	785,868	778,246	7,622
Public works	20,000	45,700	-	45,700
Health and welfare	50,958	28,886	28,395	491
Culture and recreation	38,350	24,353	22,733	1,620
Capital outlay	70,200	44,550	237,260	(192,710)
Transfers to other funds	1,210,000	1,582	1,582	-
	<u>3,879,757</u>	<u>2,529,644</u>	<u>2,437,429</u>	<u>92,215</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	<u>\$ 788,399</u>	<u>\$ 1,283,321</u>	<u>\$ 1,419,938</u>	<u>\$ 136,617</u>

JACKSON PARISH POLICE JURY
ROAD FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

Exhibit 2-2

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,347,815	\$ 3,380,218	\$ 3,380,218	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	990,313	1,017,214	988,405	(28,809)
Sales and use	800,000	813,327	849,469	36,142
Intergovernmental revenues:				
State funds:				
Parish transportation funds	510,128	247,711	247,882	171
State revenue sharing	22,500	23,024	24,096	1,072
Federal revenue	-	2,028,474	28,474	(2,000,000)
Miscellaneous revenues	1,700	35,186	35,785	599
Use of money and property	69,000	14,618	14,498	(120)
Transfers in	500,000	462,951	462,951	-
Amounts available for appropriations	<u>6,241,456</u>	<u>8,022,723</u>	<u>6,031,778</u>	<u>(1,990,945)</u>
Charges to appropriations (Outflows)				
Current:				
Public works	2,001,737	3,704,721	2,791,172	913,549
Capital outlay	1,306,205	1,200,892	1,327,402	(126,510)
Transfers to other funds	314,586	314,589	314,589	-
Total charges to appropriations	<u>3,622,528</u>	<u>5,220,202</u>	<u>4,433,163</u>	<u>787,039</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 2,618,928</u>	<u>\$ 2,802,521</u>	<u>\$ 1,598,615</u>	<u>\$ (1,203,906)</u>

JACKSON PARISH POLICE JURY
SOLID WASTE FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

Exhibit 2-3

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,329,248	\$ 856,304	\$ 856,304	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Sales and use	1,128,000	1,104,937	1,274,203	169,266
Intergovernmental revenues:				
Federal revenue	-	56,552	56,552	-
Fees, charges, and commissions for services	182,250	178,369	182,367	3,998
Miscellaneous revenues	48,000	22,554	23,913	1,359
Use of money and property	28,080	5,222	5,302	80
	<u>2,715,578</u>	<u>2,223,938</u>	<u>2,398,641</u>	<u>174,703</u>
Charges to appropriations (Outflows)				
Current:				
Public works	1,798,228	1,686,051	1,707,370	(21,319)
Capital outlay	80,000	69,144	68,144	1,000
Transfers to other funds	40,000	21,462	21,462	-
	<u>1,918,228</u>	<u>1,776,657</u>	<u>1,796,976</u>	<u>(20,319)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 797,350</u>	<u>\$ 447,281</u>	<u>\$ 601,665</u>	<u>\$ 154,384</u>

JACKSON PARISH POLICE JURY
LIBRARY FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

Exhibit 2-4

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,780,576	\$ 4,003,542	\$ 4,003,542	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	1,300,000	1,300,000	928,443	(371,557)
Intergovernmental revenues:				
State funds:				
State revenue sharing	30,000	49,500	27,436	(22,064)
State aid grants	-	-	6,775	6,775
Federal revenue	-	39,359	39,359	-
Fees, charges, and commissions for services	31,000	15,500	14,739	(761)
Miscellaneous revenues	28,950	38,285	31,622	(6,663)
Use of money and property	60,700	17,250	16,953	(297)
Amounts available for appropriations	<u>5,231,226</u>	<u>5,463,436</u>	<u>5,068,869</u>	<u>(394,567)</u>
Charges to appropriations (Outflows)				
Current:				
Culture and recreation	1,503,100	1,281,641	1,253,196	28,445
Capital outlay	405,000	161,469	83,153	78,316
Total charges to appropriations	<u>1,908,100</u>	<u>1,443,110</u>	<u>1,336,349</u>	<u>106,761</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,323,126</u>	<u>\$ 4,020,326</u>	<u>\$ 3,732,520</u>	<u>\$ (287,806)</u>

JACKSON PARISH POLICE JURY
ASPHALT FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

Exhibit 2-5

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,015,291	\$ 1,822,125	\$ 1,822,125	\$ -
Resources (Inflows)				
Local Sources:				
Taxes:				
Ad valorem	990,313	884,957	859,893	(25,064)
Intergovernmental revenues:				
State funds:				
State revenue sharing	18,765	20,151	20,980	829
Federal revenue	-	28,474	28,474	-
Miscellaneous revenues	1,485	505	505	-
Use of money and property	<u>57,500</u>	<u>13,189</u>	<u>13,150</u>	<u>(39)</u>
Amounts available for appropriations	<u>3,083,354</u>	<u>2,769,401</u>	<u>2,745,127</u>	<u>(24,274)</u>
Charges to appropriations (Outflows)				
Current:				
Public works	1,045,584	1,091,565	1,070,555	21,010
Transfers to other funds	<u>500,000</u>	<u>462,951</u>	<u>462,951</u>	<u>-</u>
Total charges to appropriations	<u>1,545,584</u>	<u>1,554,516</u>	<u>1,533,506</u>	<u>21,010</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,537,770</u>	<u>\$ 1,214,885</u>	<u>\$ 1,211,621</u>	<u>\$ (3,264)</u>

Jackson Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2020**

A. BUDGETS

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

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

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

For the year ended December 31, 2020, budgets were adopted for the general fund and all special revenue funds.

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

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Jury. Legally, the Jury must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Jury to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by 5% or more and/or expenditures within a fund are expected to exceed budgeted expenditures by 5% or more.

B. UNFAVORABLE BUDGET VARIANCE

The following funds had actual appropriations exceed budgeted appropriations:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Solid Waste	\$ 1,776,657	\$ 1,796,976	\$ (20,319)

The negative budget variance is a result of expenditures exceeding the budget in the last month of the year.

Jackson Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2020**

C. BUDGET TO GAAP RECONCILIATION - EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	<u>General</u>	<u>Road</u>	<u>Solid Waste</u>	<u>Library</u>	<u>Asphalt</u>
<u>Sources/inflows of resources:</u>					
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule.	\$ 3,857,367	\$ 6,031,778	\$ 2,398,641	\$ 5,068,869	\$ 2,745,127
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(1,775,235)	(3,380,218)	(856,304)	(4,003,542)	(1,822,125)
Transfers from other funds, issuance of debt and insurance proceeds are classified as revenue for budgetary purposes but are not revenues for financial reporting.	<u>(10,000)</u>	<u>(462,951)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,072,132</u>	<u>\$ 2,188,609</u>	<u>\$ 1,542,337</u>	<u>\$ 1,065,327</u>	<u>\$ 923,002</u>
<u>Uses/Outflows of resources:</u>					
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule.	\$ 2,437,429	\$ 4,433,163	\$ 1,796,976	\$ 1,336,349	\$ 1,533,506
Transfers to other funds classified as expenditures for budgetary purposes and as an operating transfer for financial reporting.	<u>(1,582)</u>	<u>(314,589)</u>	<u>(21,462)</u>	<u>-</u>	<u>(462,951)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,435,847</u>	<u>\$ 4,118,574</u>	<u>\$ 1,775,514</u>	<u>\$ 1,336,349</u>	<u>\$ 1,070,555</u>

SUPPLEMENTARY INFORMATION

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

JACKSON PARISH POLICE JURY
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
December 31, 2020

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
ASSETS:				
Cash and cash equivalents	\$ 1,170,302	\$ 331,787	\$ 250,010	\$ 1,752,099
Receivables	155,224	-	-	155,224
TOTAL ASSETS	<u>1,325,526</u>	<u>331,787</u>	<u>250,010</u>	<u>1,907,323</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	2,463	-	-	2,463
TOTAL LIABILITIES	<u>2,463</u>	<u>-</u>	<u>-</u>	<u>2,463</u>
Deferred Inflows of Resources:				
Unavailable Revenue-property taxes	12,155	-	-	12,155
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>12,155</u>	<u>-</u>	<u>-</u>	<u>12,155</u>
Fund balances:				
Restricted	1,310,908	331,787	250,000	1,892,695
Committed	-	-	10	10
TOTAL FUND BALANCES	<u>1,310,908</u>	<u>331,787</u>	<u>250,010</u>	<u>1,892,705</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 1,325,526</u>	<u>\$ 331,787</u>	<u>\$ 250,010</u>	<u>\$ 1,907,323</u>

JACKSON PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended December 31, 2020

Exhibit 4

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local Sources:				
Taxes:				
Ad valorem	\$ 151,189	\$ -	\$ -	\$ 151,189
Intergovernmental revenues:				
State funds:				
State aid grants	27,775	-	-	27,775
Federal revenue	7,061	-	-	7,061
Miscellaneous revenues	89	-	3,210	3,299
Use of money and property	7,919	-	-	7,919
TOTAL REVENUES	194,033	-	3,210	197,243
EXPENDITURES				
Current:				
Public works	-	-	3,210	3,210
Health and welfare	165,479	-	-	165,479
Culture and recreation	16,471	-	-	16,471
Capital outlay	-	-	9,384	9,384
Debt service:				
Principal retirement	-	295,000	-	295,000
Interest and bank charges	-	30,993	-	30,993
TOTAL EXPENDITURES	181,950	325,993	12,594	520,537
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	12,083	(325,993)	(9,384)	(323,294)
OTHER FINANCING SOURCES (USES)				
Transfers in	21,462	314,589	1,582	337,633
Transfers out	-	-	(10,000)	(10,000)
Total Other Financing Sources (Uses)	21,462	314,589	(8,418)	327,633
Net Change in Fund Balances	33,545	(11,404)	(17,802)	4,339
FUND BALANCES - BEGINNING	1,277,363	343,191	267,812	1,888,366
FUND BALANCES - ENDING	\$ 1,310,908	\$ 331,787	\$ 250,010	\$ 1,892,705

Jackson Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

HEALTH UNIT

The health unit fund accounts for a portion of the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax, miscellaneous revenues, and interest earned on investments.

LANDFILL CLOSURE

The landfill closure fund accounts for estimated closure cost and post-closure care expenses of the parish landfill site. Financing is provided by contributions and interest on investments.

TOURISM

The tourism fund accounts for promoting tourism in the parish. Financing is provided by state aid grants and interest earned on investments.

JACKSON PARISH POLICE JURY

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
December 31, 2020**

Exhibit 5

	<u>HEALTH UNIT</u>	<u>LANDFILL CLOSURE</u>	<u>TOURISM</u>	<u>TOTAL</u>
ASSETS:				
Cash and cash equivalents	\$ 323,846	\$ 715,854	\$ 130,602	\$ 1,170,302
Receivables	155,224	-	-	155,224
TOTAL ASSETS	<u>479,070</u>	<u>715,854</u>	<u>130,602</u>	<u>1,325,526</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	2,437	-	26	2,463
TOTAL LIABILITIES	<u>2,437</u>	<u>-</u>	<u>26</u>	<u>2,463</u>
Deferred Inflows of Resources:				
Unavailable Revenue-property taxes	12,155	-	-	12,155
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>12,155</u>	<u>-</u>	<u>-</u>	<u>12,155</u>
Fund balances:				
Restricted	464,478	715,854	130,576	1,310,908
TOTAL FUND BALANCES	<u>464,478</u>	<u>715,854</u>	<u>130,576</u>	<u>1,310,908</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 479,070</u>	<u>\$ 715,854</u>	<u>\$ 130,602</u>	<u>\$ 1,325,526</u>

JACKSON PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2020

Exhibit 6

	<u>HEALTH UNIT</u>	<u>LANDFILL CLOSURE</u>	<u>TOURISM</u>	<u>TOTAL</u>
REVENUES				
Local Sources:				
Taxes:				
Ad valorem	\$ 151,189	\$ -	\$ -	\$ 151,189
Intergovernmental revenues:				
State funds:				
State aid grants	-	-	27,775	27,775
Federal revenue	7,061	-	-	7,061
Miscellaneous revenues	89	-	-	89
Use of money and property	2,554	4,439	926	7,919
	<u>160,893</u>	<u>4,439</u>	<u>28,701</u>	<u>194,033</u>
TOTAL REVENUES				
EXPENDITURES				
Current:				
Health and welfare	165,479	-	-	165,479
Culture and recreation	-	-	16,471	16,471
	<u>165,479</u>	<u>-</u>	<u>16,471</u>	<u>181,950</u>
TOTAL EXPENDITURES				
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(4,586)</u>	<u>4,439</u>	<u>12,230</u>	<u>12,083</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	21,462	-	21,462
	<u>-</u>	<u>21,462</u>	<u>-</u>	<u>21,462</u>
Total Other Financing Sources (Uses)				
	<u>-</u>	<u>21,462</u>	<u>-</u>	<u>21,462</u>
Net Change in Fund Balances	(4,586)	25,901	12,230	33,545
FUND BALANCES - BEGINNING	<u>469,064</u>	<u>689,953</u>	<u>118,346</u>	<u>1,277,363</u>
FUND BALANCES - ENDING	<u>\$ 464,478</u>	<u>\$ 715,854</u>	<u>\$ 130,576</u>	<u>\$ 1,310,908</u>

Jackson Parish Police Jury

NONMAJOR CAPITAL PROJECT FUNDS

CAPITAL FUND

This fund accounts for capital improvements as well as significant repairs and maintenance throughout Jackson Parish.

LCDBG

The fund accounts for capital improvements that are funded by the Louisiana Community Development Block Grant (LCDBG) within Jackson Parish.

PAVILION / RIDING ARENA

The Pavilion/Riding area fund accounts for the Police Jury's commitment, as outlined in the Cooperative Endeavor Agreement with the Jackson Recreation District Board and Louisiana Division of Administration, to provide dirt work, clearing and grubbing and construction of the parking lot for the Jackson Parish Riding Arena and Livestock Pavilion.

JACKSON PARISH POLICE JURY
NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
December 31, 2020

Exhibit 7

	CAPITAL FUND	LCDBG	PAVILION/ RIDING ARENA	TOTAL
ASSETS:				
Cash and cash equivalents	\$ -	\$ 10	\$ 250,000	\$ 250,010
TOTAL ASSETS	-	10	250,000	250,010
Fund balances:				
Restricted	-	-	250,000	250,000
Committed	-	10	-	10
TOTAL FUND BALANCES	\$ -	\$ 10	\$ 250,000	\$ 250,010

JACKSON PARISH POLICE JURY

**NONMAJOR CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2020**

Exhibit 8

	<u>CAPITAL FUND</u>	<u>LCDBG</u>	<u>PAVILION/ RIDING ARENA</u>	<u>TOTAL</u>
REVENUES				
Miscellaneous revenues	\$ -	\$ 3,210	\$ -	\$ 3,210
TOTAL REVENUES	<u>-</u>	<u>3,210</u>	<u>-</u>	<u>3,210</u>
EXPENDITURES				
Current:				
Public works	-	3,210	-	3,210
Capital outlay	<u>9,384</u>	<u>-</u>	<u>-</u>	<u>9,384</u>
TOTAL EXPENDITURES	<u>9,384</u>	<u>3,210</u>	<u>-</u>	<u>12,594</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(9,384)</u>	<u>-</u>	<u>-</u>	<u>(9,384)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,582	-	-	1,582
Transfers out	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Total Other Financing Sources (Uses)	<u>1,582</u>	<u>-</u>	<u>(10,000)</u>	<u>(8,418)</u>
Net Change in Fund Balances	(7,802)	-	(10,000)	(17,802)
FUND BALANCES - BEGINNING	<u>7,802</u>	<u>10</u>	<u>260,000</u>	<u>267,812</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 250,000</u>	<u>\$ 250,010</u>

Jackson Parish Police Jury

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2020**

Exhibit 9

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

Amy Magee, President	\$ 16,200
Lynn Treadway, Vice President	14,400
Lewis Chatham	14,400
Tarneshala Cowans	14,400
Todd Culpepper	14,400
John McCarty	14,400
Regina Rowe	14,400
Total	<u>\$ 102,600</u>

Jackson Parish Police Jury

**Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2020**

Exhibit 10

Agency Head Name: Gina Thomas, Secretary-Treasurer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 80,052
Benefits-insurance	23,937
Benefits-retirement	9,795
Benefits-medicare	2,321
Benefits-other	1,301
Registration fees	100
Conference travel	332
	<u>\$ 117,838</u>

Jackson Parish Police Jury

**Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

Exhibit 11

Cash Basis Presentation	First Six Month Period Ended 06/30/20	Second Six Month Period Ended 12/31/20
Receipts From:		
<i>Andy Brown, Sheriff & Tax Collector: Criminal Court Costs/Fees</i>	\$ 1,249	\$ 1,974
Total Receipts	<u>1,249</u>	<u>1,974</u>

Jackson Parish Police Jury

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Jackson Parish Police Jury

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

The report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States of America. The section of the report on compliance is based solely on the audit of the financial statements and presents, where applicable, compliance matters that would be material to the financial statements. The section of the report on internal control over financial reporting is, likewise, based solely on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses.



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Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

Police Jurors
Jackson Parish Police Jury
Jonesboro, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Parish Police Jury as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated February 28, 2022. We issued an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2020-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2020-002.

The Police Jury's Response to Findings

The Police Jury's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses and Corrective Action Plan for Current Year Findings and Responses. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
February 28, 2022

**Jackson Parish Police Jury
Schedule of Findings and Responses
For the Year Ended December 31, 2020**

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.
- ii. There was one significant deficiency required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America. We did not consider the significant deficiency to be a material weakness.
- iii. There was one instance of noncompliance considered material to the financial statements, as defined by the *Government Auditing Standards*.

**Jackson Parish Police Jury
Schedule of Findings and Responses
For the Year Ended December 31, 2020**

PART II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: 2020-001 Internal Controls over Financial Close

Entity-wide or program/department specific: This finding is related to the Library Fund.

Criteria or specific requirement: Proper internal control over financial reporting requires that accounting records contain up-to-date, accurate and complete information to ensure that the financial data can be relied upon to monitor the financial condition of the Police Jury. Financial records should be reviewed timely to supporting documentation to ensure that the transactions are properly recorded and classified in the appropriate accounting period.

Condition found: During the performance of the audit the following items were noted:

- In testing expenses, it was noted that a deposit for a new library book mobile was recorded as an expense and not as a prepaid item. A journal entry was made to correct.
- Two Library parking lot construction invoices were accrued for 2020 when the work was either not performed until after year-end or the majority of the work was performed after year-end and not prorated.
- In testing capital asset additions, it was noted that library books were added to the depreciation schedule at replacement value instead of at cost. In addition, construction in progress balance was based on the contract amount and not the work completed as of the year-end.

Context: The exceptions noted above were identified when performing substantive testing throughout the audit and appears to be a systemic problem.

Possible asserted effect (cause and effect):

Cause: The auditor could not determine the cause.

Effect: Internal controls over financial reporting are weakened.

Recommendation to prevent future occurrences: The Police Jury should establish procedures over financial close process to ensure that ending balances are valid, complete and accurate for financial reporting.

Origination date and prior year reference (if applicable): This finding originated fiscal year ended December 31, 2020.

View of responsible official: The Jackson Parish Police Jury relies upon the Library Director to make determinations of year-end prepaid items and accruals for expenses and receipts that occur during the cut-off period as well as any capital asset processing. This is due to their involvement in their own projects and knowledge of the timing of payments. The Library Director makes these determinations, and the Library Board President signs off on all reporting. The Police Jury accepts this review process as-is and processes payments based on the information provided.

From Library Director:

Bookmobile: According to the terms of our contract with Matthews Specialty Vehicles, Inc., certain amounts are “due upon” or “due on” throughout the process of the work. Per the order Acceptance signed on 8/11/2020:“(i) 20% of total price of Equipment due upon issuance of Purchase Order or signature of Proposal–Acceptance, (ii) 30% of total price of Equipment due upon receipt of Equipment Shell buy (sic) Seller at Seller’s location of Equipment production, and (iii) Balance due On Delivery.” Unfortunately, the timeline of this project has been changed many

**Jackson Parish Police Jury
Schedule of Findings and Responses
For the Year Ended December 31, 2020**

PART II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

times due to supply issues, worker shortages, and other problems stemming from the pandemic. Therefore, this project has unfortunately stretched into multiple years causing confusing reporting in our payments that would preferably be contained in one budget year. The use of “prepaid accounting” would be preferable in this case to show proper expensing of this large project.

Parking Lot: Due to the COVID-19 pandemic, 2020 was a difficult year to plan construction projects. In October of 2020, the decision was made to attempt to complete the project by the end of 2020. Unfortunately, the construction crept into 2021 and the invoices were sent out in late January, early February. Annual budgets are not officially closed until the end of February, so we were still able to accrue the invoices back to the prior year with the budget that had already been approved by the Library Board and the Police Jury.

Capital Asset Additions: When purchased, all the circulated items were categorized into a single account in the accounting software called “Books, Bindery, and Periodicals” (except hotspots which would be either Technology, Cares Act Expenses or American Recovery Plan Expenses). Both depreciable (books, audiobooks, DVDs, etc.) and non-depreciable items (databases, newspapers, MP3’s, etc.) have always been lumped into this account. Since the accounting system is not set up to keep track of the different types of inventory, an integrated library system (ILS) is used for detailed inventory reports. This is the system used when the circulated items are checked in and out.

In the ILS, replacement costs for all the books and media are tracked. The Library receives discounts for purchasing through book vendors in various subscriptions as well as a bulk order of what is popular at discounts of 25 to 35%, sometimes more. If a patron loses or damages an item there is no guarantee we can replace the individual piece for a discounted price. Therefore, when adding a holding, the full value is put in for that item.

At the end of the year, a report of the items purchased throughout the year that were added to our ILS is generated. Unfortunately, this gives an over-valued amount for the capital assets report.

Reference # and title: 2020-002 Five Percent Budget Variance

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more. The resulting budget amendment shall only be statutorily required for a special revenue fund with anticipated expenditures that equal or exceed five hundred thousand dollars and whose revenues are not expenditure driven.

Condition found: Total actual revenues failed to meet total budgeted revenues by five percent or more in the following funds that were required to amend its budget:

Fund	Budget	Actual	Variance
Road	\$ 8,022,723	\$ 6,031,788	\$ (1,990,935)
Library	5,463,436	5,068,869	(394,567)

Context: The budget to actual comparison was tested for the general fund and all special revenue funds legally required to amend its budget. This is considered an isolated instance.

**Jackson Parish Police Jury
Schedule of Findings and Responses
For the Year Ended December 31, 2020**

PART II – Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards* generally accepted in the United States of America:

Possible asserted effect (cause and effect):

Cause: The Police Jury did not amend the budget when actual revenues failed to meet total budgeted revenues by 5% or more as required.

Effect: The Police Jury did not meet the requirements of the Louisiana State Budget Law.

Recommendation to prevent future occurrences: The Police Jury should continuously monitor revenues and expenditures and amend budgets as needed.

Origination date and prior year reference (if applicable): This finding originated in fiscal year ended June 30, 2020.

View of responsible official: The Road budget variance is primarily due to the timing of the FEMA reimbursement for the Hurricane Laura damages. The original damage estimates were \$2 million and at the time, FEMA and the State of Louisiana were planning to process expedited reimbursements. The expedited system never came to be, and the reimbursements were not processed within the fiscal year.

The Library budget variance is primarily related to lower than expected ad valorem tax revenue and state revenue sharing. The original budget is based off historical receipts which were higher in previous years.

OTHER INFORMATION



JACKSON PARISH POLICE JURY
Jackson Parish Police Jury Administrative Building
160 Industrial Drive
Jonesboro, Louisiana 71251-3446
Phone: (318) 259-2361
www.jacksonparishpolicejury.org

MEMBERS

**Summary Schedule of Prior Year Audit Findings and Responses
For the Year Ended December 31, 2020**

District 1
TODD CULPEPPER
P. O. Box 323
Quitman, LA. 71268
(318) 259-4184 (Work)
(318) 243-1084

District 2
LEWIS CHATHAM
1575 Mariah Road
Chatham, LA. 71226
(318) 235-0254

District 3
AMY C. MAGEE
2332 Walker Road
Jonesboro, LA. 71251
(318) 235-0002

District 4
JOHN W MCCARTY
2766 Hwy 155
Quitman, LA 71268
(318) 259-9694

District 5
TARNESHALA COWANS
598 Beech Springs Road
Jonesboro, LA. 71251
(318) 475-0893

District 6
REGINA H. ROWE
159 Hughes Rd.
Jonesboro, LA 71251
(318) 259-7923

District 7
LYNN TREADWAY
505 Fifth Street
Jonesboro, LA 71251
(318) 259-7673
(318) 680-8510

Reference # and title: 2019-001 Road Program

Entity-wide or program/department specific: This finding is entity wide.

Condition: The Louisiana Parish Transportation Act covered under LSA R.S. 48:753 states “each parish and municipal governing authority shall make a determination of whether a road, or portion thereof, within their respective road systems, meets the definition of a public road for the purpose of the parish transportation system”. The statute also defines a public road as “any road, or portion thereof, dedicated as a public road and/or accepted for maintenance by a parish or municipal governing authority, or constructed or maintained for an uninterrupted period of three years, by a parish or municipal governing authority, provided such road, or portion thereof, serves a public purpose that is in the best interest of the parish or municipality and their respective road systems.

Through road observations, review of Jury minutes and discussions with management the following issue was noted:

- The Police Jury has not followed through with its 2018 corrective action plan to clear the prior year finding. Several roads that do not appear to meet the definition of a public road have not been removed from the road listing.

Corrective action taken: The Jury will continue to review the road system in relation to the Revocation of Public Roads Policy and the Transportation Act and follow their policies to remove those roads that are found not serving the public. This item is considered cleared.

Respectively Submitted,

Gina Thomas, Secretary/Treasurer



JACKSON PARISH POLICE JURY
Jackson Parish Police Jury Administrative Building
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Jonesboro, Louisiana 71251-3446
Phone: (318) 259-2361
www.jacksonparishpolicejury.org

**Corrective Action Plan for Current Year Findings and Responses
For the Year ended December 31, 2020**

MEMBERS

District 1
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Reference # and title: 2020-001 Internal Controls over Financial Close

Entity-wide or program/department specific: This finding is related to the Library Fund.

Condition: Proper internal control over financial reporting requires that accounting records contain up-to-date, accurate and complete information to ensure that the financial data can be relied upon to monitor the financial condition of the Police Jury. Financial records should be reviewed timely to supporting documentation to ensure that the transactions are properly recorded and classified in the appropriate accounting period.

During the performance of the audit the following items were noted:

- In testing expenses, it was noted that a deposit for a new library book mobile was recorded as an expense and not as a prepaid item. A journal entry was made to correct.
- Two Library parking lot construction invoices were accrued for 2020 when the work was either not performed until after year-end or the majority of the work was performed after year-end and not prorated.
- In testing capital asset additions, it was noted that library books were added to the depreciation schedule at replacement value instead of at cost. In addition, construction in progress balance was based on the contract amount and not the work completed as of the year-end.

Corrective action planned: The Police Jury will continue to conduct training with the Library personnel on proper accrual procedures, prepaid items, cut-off timing, and capital asset determinations.

The Police Jury will coordinate with the Library to set up individual accounts in the accounting software or create some form of system to make sure that the depreciable expense at the end of the year does not exceed the actual amount that was spent.

Person responsible for corrective action:

Gina Thomas Telephone: (318) 259-2361
Jackson Parish Police Jury Fax: (318) 259-5660
160 Industrial Drive
Jonesboro, LA 71051

Anticipated completion date: December 31, 2021

**Corrective Action Plan for Current Year Findings and Responses (Continued)
For the Year ended December 31, 2020**

Reference # and title: **2020-002** **Five Percent Budget Variance**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more. The resulting budget amendment shall only be statutorily required for a special revenue fund with anticipated expenditures that equal or exceed five hundred thousand dollars and whose revenues are not expenditure driven.

Total actual revenues failed to meet total budgeted revenues by five percent or more in the following funds that were required to amend its budget:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Road	\$ 8,022,723	\$ 6,031,788	\$ (1,990,935)
Library	5,463,436	5,068,869	(394,567)

Corrective action planned: We will continue to work with FEMA and GOHSEP on the timing of the reimbursements for Hurricane Laura damages. The Library will work with the Tax Assessor and state agencies to make more accurate projections of their revenues.

Person responsible for corrective action:

Gina Thomas	Telephone: (318) 259-2361
Jackson Parish Police Jury	Fax: (318) 259-5660
160 Industrial Drive	
Jonesboro, LA 71051	

Anticipated completion date: December 31, 2021

Respectively Submitted,

Gina Thomas, Secretary/Treasurer



JACKSON PARISH POLICE JURY

Jackson Parish Police Jury Administrative Building

160 Industrial Drive

Jonesboro, Louisiana 71251-3446

Phone: (318) 259-2361

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MEMBERS

Status of Prior Year Management Letter Item

District 1

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(318) 259-4184 (Work)
(318) 243-1084

2019-M001

Internal Controls over Financial Close Process

Comment: The original trial balances provided to the auditor were out of balance due to an error in the accounting software for posting accounts receivable.

District 2

LEWIS CHATHAM
1575 Mariah Road
Chatham, LA. 71226
(318) 235-0254

In testing accounts receivable it was noted that the Police Jury did not accrue a deposit received for sales tax received in February 2020 that was related to 2019 fiscal year end. In addition, three cost reimbursement funds had balance sheet accounts that were not valid and required journal entries to correct.

District 3

AMY C. MAGEE
2332 Walker Road
Jonesboro, LA. 71251
(318) 235-0002

The Police Jury did not make the entry to record wages payable.

Recommendation: The Police Jury should establish procedures over financial close process to ensure that ending balances are valid, complete and accurate for financial reporting.

District 4

JOHN W MCCARTY
2766 Hwy 155
Quitman, LA 71268
(318) 259-9694

Management's response: The Police Jury has worked with the software provider on modifications to the automated accrual system. If the software provider is unable to modify the accrual system for proper functionality, the Police Jury will establish new procedures for manual journal entries to account for the accrued accounts receivable transactions.

District 5

TARNESHALA COWANS
598 Beech Springs Road
Jonesboro, LA. 71251
(318) 475-0893

See current year finding 2021-001 for the matters related to internal controls over financial close processes.

District 6

REGINA H. ROWE
159 Hughes Rd.
Jonesboro, LA 71251
(318) 259-7923

Respectively Submitted,

District 7

LYNN TREADWAY
505 Fifth Street
Jonesboro, LA 71251
(318) 259-7673
(318) 680-8510

Gina Thomas, Secretary/Treasurer