

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

FINANCIAL REPORT

December 31, 2022

HILL, INZINA & COMPANY

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HILL, INZINA & COMPANY

INDEPENDENT AUDITOR'S REPORT

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

Adverse and Unmodified Opinions

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

Adverse Opinion on Aggregate Discretely Presented Component Units

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

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

In our opinion, the 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 Jury as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of this report. We are required to be independent of the Jury, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

The financial statements do not include financial data for all of the Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Jury's primary government unless the Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The 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' financial statements has not been determined.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

* Exercise professional judgment and maintain professional skepticism throughout the audit.

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

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Jury's internal control. Accordingly, no such opinion is expressed.

* Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

* Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jury's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of net pension liability, and schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jury's basic financial statements. The combining financial statements, schedules of compensation, and justice system funding schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, schedules of compensation, and justice system funding schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023, on our consideration of the 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 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 Jury's internal control over financial reporting and compliance.

/s/ Hill, Inzina & Co.

June 22, 2023

REQUIRED SUPPLEMENTARY INFORMATION (Part 1 of 2)

RICHLAND PARISH POLICE JURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the Year Ended December 31, 2022

As management of Richland Parish Police Jury (the "Jury"), we offer readers of the financial statements of the Jury's primary government this narrative overview and analysis of the financial activities of the Jury for the fiscal year ended December 31, 2022. This discussion and analysis of management is designed to provide an objective and easy-to-read analysis of the Jury's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Jury's finances. It is also intended to provide readers with an analysis of the short-term and long-term activities of the Jury based on information presented in the financial report and fiscal policies that have been adopted by the Jury. Specifically, this section is designed to assist the readers in focusing on significant financial issues, provide an overview of the Jury's financial activity, identify changes in the Jury's financial position (its ability to address the next and subsequent years' challenges), identify any material deviations from the financial plan (the approved budget), and identify individual issues or concerns of individual funds.

As with other sections of this financial report, the information contained within this discussion and analysis of management should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and supplementary information that are provided in addition to this discussion and analysis of management.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Jury's financial statements. The Jury's basic financial statements consist of the following components:

1. Government-wide financial statements.
2. Fund financial statements.
3. Notes to financial statements.

In addition to the basic financial statements, the Jury also includes in a subsequent section of this report additional information to supplement the basic financial statements.

1. Government-wide financial statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which government financial statements are presented. It provides readers with a concise "entity-wide" statement of net position and statement of activities, seeking to give the users of the financial statements a broad overview of the Jury's financial position and results of operations in a manner similar to a private-sector business.

The statement of net position presents information on all of the Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies, with the elimination of internal activities. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Jury is improving or weakening. Evaluation of the overall economic health of the Jury would extend to other nonfinancial factors in addition to the financial information provided in this report.

The statement of activities presents information detailing how the Jury's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of this statement is to show the financial reliance of the Jury's distinct activities or functions on revenues provided by the citizenry of the parish.

The government-wide financial statements report governmental activities of the Jury that are principally supported by taxes and intergovernmental revenues. Governmental activities include general government, public safety, public works, health and welfare, culture and recreation, economic development and assistance, and capital outlay.

2. Fund financial statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Jury uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Jury's most significant funds rather than the Jury as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The Jury has only one fund type. Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Jury's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and commitment of spendable resources for the near-term.

As the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. A reconciliation from both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances to the government-wide statements is provided to assist in understanding the differences between these two perspectives.

3. Notes to financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Government-Wide Financial Analysis

The following provides a summary of the net position of the Jury's governmental activities as of December 31:

	<u>2022</u>	<u>2021</u>
Other assets	\$ 17,668,253	\$ 14,234,987
Capital assets	<u>5,182,440</u>	<u>4,644,503</u>
Total assets	<u>\$ 22,850,693</u>	<u>\$ 18,879,490</u>
 Deferred outflows of resources	 <u>\$ 374,196</u>	 <u>\$ 542,084</u>
 Other liabilities	 <u>\$ 4,997,426</u>	 <u>\$ 2,490,205</u>
 Deferred inflows of resources	 <u>\$ 3,681,411</u>	 <u>\$ 3,570,829</u>
Net position:		
Net investment in capital assets	\$ 5,182,440	\$ 4,644,503
Restricted for special revenue	7,362,134	9,750,308
Unrestricted (deficit)	<u>2,001,478</u>	<u>(1,034,271)</u>
 Total net position	 <u><u>\$ 14,546,052</u></u>	 <u><u>\$ 13,360,540</u></u>

As noted earlier, net position may serve over time as a useful indicator of the Jury's financial position. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Jury's ability to use that net position for day-to-day operations. The Jury will use the unrestricted net position to meet the ongoing obligations to users of its services and creditors.

The following provides a summary of the Jury's net position changes between the two years ended December 31:

	<u>2022</u>	<u>2021</u>
Revenues:		
Program revenues:		
Charges for services	\$ 420,436	\$ 310,150
Operating grants and contributions	219,717	1,124,601
Capital grants and contributions	202,687	-
General revenues:		
Taxes	8,550,072	8,019,705
Intergovernmental	714,030	818,930
Unrestricted investment earnings and miscellaneous	80,326	107,814
Total revenues	<u>\$ 10,187,268</u>	<u>\$ 10,381,200</u>
Expenses:		
General government	\$ 1,181,463	\$ 1,202,363
Public safety	1,063,083	338,125
Public works	5,040,423	5,134,447
Health and welfare	302,802	305,587
Culture and recreation	1,093,180	1,089,449
Economic development and assistance	108,000	99,900
Debt service interest	212,840	9,244
Total expenses	<u>\$ 9,001,789</u>	<u>\$ 8,179,115</u>
Change in net position	\$ 1,185,479	\$ 2,202,085
Net position - beginning	<u>13,360,573</u>	<u>11,158,455</u>
Net position - ending	<u>\$ 14,546,052</u>	<u>\$ 13,360,540</u>

The Jury's total revenues decreased by only \$193,932 while expenses increased by \$822,674.

Program revenues derive directly from the program itself or from parties outside the Jury's taxpayers or citizenry. As a whole, they reduce the cost of the function to be financed from the Jury's general revenues. General revenues are used to pay for governmental activities whose cost is not reduced by program revenues. The Jury was heavily reliant on general revenues to support governmental operations for both years.

Public works was the Jury's largest expenditure function for both years using significant tax-based (general revenue) for funding.

Financial Analysis of Governmental Funds

The Jury's major governmental funds and related fund balances as of December 31 were:

	<u>2022</u>	<u>2021</u>
General	\$ 1,931,453	\$ 2,011,741
Road Maintenance	1,619,373	1,592,066
Drainage Maintenance	572,107	573,948
Health Unit	1,039,923	965,340
Library	3,620,921	3,813,426

Determination of the Jury's major governmental funds are made for each audit period. \$7,083,031 of the fund balances of the governmental funds as of December 31, 2022 were restricted for special revenue.

Budgetary Highlights

Budgets for all required funds were adopted for the year ended December 31, 2022 which complied with financial policies approved by the jurors and maintained core Jury services. There were no unfavorable budget variances exceeding 5% or more in the major funds for the year ended December 31, 2022.

Asset Additions

The Jury's capital asset additions during the current fiscal year costing \$1,211,212 were purchased with available funds. Depreciation of capital assets of \$461,161 for the year ended December 31, 2022 was recorded in the governmental activities of the government-wide financial statements.

During the year ended December 31, 2022, the Jury acquired \$922,800 of rights to use leased assets. Amortization of the related assets of \$212,114 was also recorded in the governmental activities.

Economic Factors and Next Year's Budget

As adopted, the 2023 original combined budget had revenues totaling \$18,804,480 compared to the 2022 original budgeted revenues of \$15,325,209 while combined expenditures of \$16,464,315 were initially budgeted for 2023.

Requests for Information

This financial report is designed to provide a general overview of the Jury's financial picture for all those with an interest in the Jury's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Secretary/Treasurer, P.O. Box 668, Rayville, Louisiana 71269-0668.

BASIC FINANCIAL STATEMENTS

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF NET POSITION - PRIMARY GOVERNMENT -
GOVERNMENTAL ACTIVITIES
December 31 , 2022

ASSETS	
Cash	\$ 11,308,740
Certificates of deposit	1,582,813
Receivables	2,413,156
Net pension asset	1,345,488
Right to use leased assets, net of amortization	805,942
Capital assets:	
Land	311,523
Other capital assets, net of depreciation	<u>5,083,031</u>
Total assets	<u>\$ 22,850,693</u>
DEFERRED OUTFLOWS OF RESOURCES	
Resources related to pensions	<u>\$ 374,196</u>
LIABILITIES	
Accounts payable	\$ 133,524
Payroll accruals and withholding	68,128
Deferred revenue	3,702,976
Deposits held for others	10,000
Non-current liabilities other than pensions:	
Due in one year	359,328
Due in more than one year	<u>723,470</u>
Total liabilities	<u>\$ 4,997,426</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes	\$ 2,375,597
Resources related to pensions	<u>1,305,814</u>
Total deferred inflows of resources	<u>\$ 3,681,411</u>
NET POSITION	
Net investment in capital assets	\$ 5,394,554
Restricted for special revenue	7,150,020
Unrestricted	<u>2,001,478</u>
Total net position	<u><u>\$ 14,546,052</u></u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF ACTIVITIES - PRIMARY GOVERNMENT -
GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2022

		<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Functions/Programs:					
Current:					
General government:					
Legislative	\$ 268,208	\$ -	\$ -	\$ -	\$(268,208)
Judicial	166,345	26,026	50,000	-	(90,319)
Elections	48,612	-	-	-	(48,612)
Finance and administrative	301,183	237,286	-	-	(63,897)
Other	397,115	-	-	-	(397,115)
Public safety	1,063,083	-	-	-	(1,063,083)
Public works	5,040,423	141,355	61,717	202,687	(4,634,664)
Health and welfare	302,802	-	-	-	(302,802)
Culture and recreation	1,093,180	15,769	-	-	(1,077,409)
Economic development and assistance	108,000	-	108,000	-	-
Debt service	<u>212,840</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(212,840)</u>
Total governmental activities	<u>\$ 9,001,789</u>	<u>\$ 420,436</u>	<u>\$ 219,717</u>	<u>\$ 202,687</u>	<u>\$(8,158,949)</u>
General revenues:					
					\$ 8,550,072
					714,030
					80,326
					<u>\$ 9,344,428</u>
					\$ 1,185,479
					<u>13,360,573</u>
					<u>\$ 14,546,052</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2022

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
ASSETS			
Cash	\$ 5,160,937	\$ 1,674,318	\$ 588,203
Certificate of deposit	532,109	-	-
Receivables	1,235,583	30,191	-
Due from other funds	<u>13,122</u>	<u>1,150</u>	<u>12,516</u>
Total assets	<u>\$ 6,941,751</u>	<u>\$ 1,705,659</u>	<u>\$ 600,719</u>
LIABILITIES			
Accounts payable	\$ 22,289	\$ 59,131	\$ 25,187
Payroll accruals and withholdings	68,128	-	-
Deferred revenue	3,702,976	-	-
Deposits held for others	-	10,000	-
Due to other funds	<u>1,386</u>	<u>17,155</u>	<u>3,425</u>
Total liabilities	<u>\$ 3,794,779</u>	<u>\$ 86,286</u>	<u>\$ 28,612</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	<u>\$ 1,215,519</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE			
Restricted for special revenue	\$ -	\$ 1,619,373	\$ 572,107
Unassigned	<u>1,931,453</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 1,931,453</u>	<u>\$ 1,619,373</u>	<u>\$ 572,107</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,941,751</u>	<u>\$ 1,705,659</u>	<u>\$ 600,719</u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 1,046,483	\$ 2,602,885	\$ 235,914	\$ 11,308,740
-	1,050,704	-	1,582,813
259,062	885,626	2,694	2,413,156
<u>-</u>	<u>-</u>	<u>-</u>	<u>26,788</u>
<u>\$ 1,305,545</u>	<u>\$ 4,539,215</u>	<u>\$ 238,608</u>	<u>\$ 15,331,497</u>
\$ 2,275	\$ 18,094	\$ 6,548	\$ 133,524
-	-	-	68,128
-	-	-	3,702,976
-	-	-	10,000
816	2,653	1,353	26,788
<u>\$ 3,091</u>	<u>\$ 20,747</u>	<u>\$ 7,901</u>	<u>\$ 3,941,416</u>
\$ 262,531	\$ 897,547	\$ -	\$ 2,375,597
\$ 1,039,923	\$ 3,620,921	\$ 230,707	\$ 7,083,031
-	-	-	1,931,453
<u>\$ 1,039,923</u>	<u>\$ 3,620,921</u>	<u>\$ 230,707</u>	<u>\$ 9,014,484</u>
<u>\$ 1,305,545</u>	<u>\$ 4,539,215</u>	<u>\$ 238,608</u>	<u>\$ 15,331,497</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
Revenues:			
Taxes	\$ 1,250,927	\$ 3,739,790	\$ 1,951,195
Licenses and permits	212,970	-	-
Intergovernmental	722,594	325,151	-
Fees, charges, and commissions for services	22,403	89,365	51,990
Fines and forfeitures	1,913	-	-
Interest and miscellaneous	34,673	16,076	3,928
Total revenues	<u>\$ 2,245,480</u>	<u>\$ 4,170,382</u>	<u>\$ 2,007,113</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 272,931	\$ -	\$ -
Judicial	146,792	-	-
Elections	48,612	-	-
Finance and administrative	339,713	-	-
Other	63,740	-	-
Public safety	1,060,298	-	-
Public works	-	3,332,646	1,489,156
Health and welfare	82,997	-	-
Culture and recreation	-	-	-
Economic development and assistance	107,999	-	-
Debt service	-	111,169	296,717
Capital outlay	-	1,196,821	851,006
Total expenditures	<u>\$ 2,123,082</u>	<u>\$ 4,640,636</u>	<u>\$ 2,636,879</u>

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 268,148	\$ 933,513	\$ 406,499	\$ 8,550,072
-	-	-	212,970
11,035	54,025	-	1,112,805
-	13,960	-	177,718
-	1,809	26,026	29,748
4,883	18,897	1,869	80,326
<u>\$ 284,066</u>	<u>\$ 1,022,204</u>	<u>\$ 434,394</u>	<u>\$ 10,163,639</u>

\$ -	\$ -	\$ -	\$ 272,931
-	-	22,696	169,488
-	-	-	48,612
-	-	-	339,713
-	-	286,372	350,112
-	-	-	1,060,298
-	-	-	4,821,802
209,516	-	-	292,513
-	1,128,525	-	1,128,525
-	-	-	107,999
-	-	31,879	439,765
-	86,184	-	2,134,011
<u>\$ 209,516</u>	<u>\$ 1,214,709</u>	<u>\$ 340,947</u>	<u>\$ 11,165,769</u>

(continued)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (Continued)
For the Year Ended December 31, 2022

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 122,398</u>	<u>\$ (470,254)</u>	<u>\$ (629,766)</u>
Other financing sources (uses):			
Lease proceeds	\$ -	\$ 294,875	\$ 627,925
Operating transfers in (out)	<u>(202,687)</u>	<u>202,687</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ (202,687)</u>	<u>\$ 497,562</u>	<u>\$ 627,925</u>
Net changes in fund balances	<u>\$ (80,289)</u>	<u>\$ 27,308</u>	<u>\$ (1,841)</u>
Fund balances - beginning	<u>2,011,742</u>	<u>1,592,065</u>	<u>573,948</u>
Fund balances - ending	<u><u>\$ 1,931,453</u></u>	<u><u>\$ 1,619,373</u></u>	<u><u>\$ 572,107</u></u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 74,550	\$ (192,505)	\$ 93,447	\$ (1,002,130)
\$ -	\$ -	\$ -	\$ 922,800
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ 922,800
\$ 74,550	\$ (192,505)	\$ 93,447	\$ (79,330)
<u>965,373</u>	<u>3,813,426</u>	<u>137,260</u>	<u>9,093,814</u>
<u>\$ 1,039,923</u>	<u>\$ 3,620,921</u>	<u>\$ 230,707</u>	<u>\$ 9,014,484</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2022

Total fund balances - governmental funds balance sheet	\$ 9,014,484
Amounts reported for governmental activities in statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,394,554
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	805,942
Net pension asset	1,345,488
Non-current liabilities are not due and payable in the current period and therefore are not reported in the funds.	(1,082,798)
Net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>(931,618)</u>
Total net position of governmental activities - government-wide statement of net position	<u><u>\$ 14,546,052</u></u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
December 31, 2022

Net changes in fund balances - governmental funds	\$ (79,330)
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Amounts reported for governmental activities in statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$1,211,212) exceeded depreciation expense (\$461,161) in the current period.	750,051
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Amortization expense for intangible assets	(212,114)
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Proportionate share of non-employer contributions to pension plans do not provide current financial resources and are not reported as revenue in the governmental funds.	23,629
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Principal payments on leases are reported as current expenditures in the governmental funds while reported as decreases in leases payable in the statement of net position.	203,591
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Long-term debt principal payments are reported as current expenditures in the governmental funds while reported as decreases in debt in the statement of net position.	23,333
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Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the proportionate share of the plans' pension expense is reported as such.	<u>476,319</u>
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Changes in net position of governmental activities - government-wide statement of activities	<u>\$ 1,185,479</u>
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See notes to financial statements.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

Note 1. Organization and Summary of Significant Accounting Policies

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

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

The parish is located in northeast Louisiana and its population is 20,725. Approximately 575 miles of roads are maintained by the parish. The Jury employs approximately 75 people.

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

The more significant of the Jury's accounting policies are described below:

Financial Reporting Entity:

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

NOTES TO FINANCIAL STATEMENTS

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be considered part of the 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 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 Jury.
2. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the 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.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Richland Parish Hospital Service		
Districts No. 1, 1A, 1B, and 1C	9-30	1 and 2
Start-Girard Fire Protection District	12-31	3
Archibald-Alto Fire Protection District	12-31	3
Holly Ridge Fire Protection District	12-31	3
Mangham Fire Protection District	12-31	3
Richland Parish Communications District	12-31	1
Richland Parish Fire Protection District No. 8	12-31	3
Ward One Rural Fire Protection District	12-31	3

NOTES TO FINANCIAL STATEMENTS

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

Also considered in the determination of component units of the reporting entity were Richland Parish Sheriff, Richland Parish Clerk of Court, Richland Parish Tax Assessor, Richland Parish Sales and Use Tax Commission, Richland Parish School Board, District Attorney and Judges for the Fifth Judicial District, and the various municipalities and nonprofit entities in the parish. It was determined that these governmental and nonprofit entities are not component units of Richland Parish Police Jury reporting entity. These entities have separately elected governing bodies, are legally separate, and are fiscally independent of the Jury. They are considered by the Jury to be separate autonomous entities and issue financial statements separate from those of Richland Parish Police Jury reporting entity.

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net position and the statement of activities that report financial information for the primary government (Jury). Individual funds are not displayed but the statements report governmental activities, generally supported by taxes and intergovernmental revenues. The Jury has no business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report licenses, permits, fees, fines, forfeitures, and other charges to users of the Jury's services; (2) operating grants and contributions which finance annual operating activities; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

NOTES TO FINANCIAL STATEMENTS

Fund Financial Statements:

Fund financial statements are provided for governmental funds with major individual governmental funds reported in separate columns and a composite column for non-major governmental funds.

Basis of Accounting, Measurement Focus, and Financial Statement Presentation:

The financial statements of the Jury are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Jury considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest related to long-term debt, as well as expenditures related to compensated absences, which are reported as expenditures in the year due. This same measurement focus and basis of accounting is used to calculate expenditures of federal awards.

Major revenue sources susceptible to accrual are property taxes, gross receipts taxes, intergovernmental revenues, and fines and forfeitures. In general, other revenues are recognized when cash is received.

NOTES TO FINANCIAL STATEMENTS

Fund Types and Major Funds:

The Jury reports the following major governmental funds:

General Fund - the general operating fund of the Jury and accounts for all financial resources, except those required to be accounted for in other funds.

Road Maintenance Fund - constructing, maintaining, and repairing public roads and bridges in the parish and for acquiring, maintaining, and/or operating road machinery and equipment.

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

Health Unit Fund - maintaining the public health unit.

Library Fund - maintaining the public libraries.

Budgets and Budgetary Accounting:

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

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

NOTES TO FINANCIAL STATEMENTS

The Jury adopted annual budgets for all of the governmental funds on December 6, 2021. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. All budget amendments were approved by the Jury. The budgetary comparison schedules included in the accompanying financial statements include the original and final adopted budgets. Amending the budgets to actual cash amounts at each December 31 is the common practice of the Jury and such was approved by the Jury on November 14, 2022. All annual appropriations lapse at fiscal year end.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Certificates of Deposit:

Cash includes amounts in demand deposits. Under state law, the Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

State law allows the Jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. If the original maturities of time deposits exceed 90 days, they are classified as certificates of deposit; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Nonparticipating investment contracts, generally certificates of deposit, are reported at cost, which approximates market value.

Receivables:

Significant receivables include property tax revenues.

Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. Jury's management is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

NOTES TO FINANCIAL STATEMENTS

Interfund Transactions:

Activity between funds that are representative of lending/borrowing arrangements and other miscellaneous receivables/payables outstanding at the end of the fiscal year are reported as due to/from other funds (i.e. the current portion of interfund loans) in the fund financial statements.

Transfers and payments within the reporting entity that are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis are reported as operating transfers between funds of the reporting entity. Nonrecurring or nonroutine permanent transfers of net position are reported as residual equity transfers.

Interfund transactions are eliminated in the government-wide financial statements while all are reported in the fund financial statements.

Capital Assets and Depreciation:

Capital assets, which include property, plant, and equipment, with useful lives of more than one year, are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are stated at fair value on the date of donation. The Jury generally capitalizes individual infrastructure assets with cost of \$100,000 or more and all other assets with cost of \$1,000 or more as purchase and construction outlays occur.

The costs of normal maintenance and repairs not adding to an asset's value or materially extending its useful life are not capitalized. Upon disposition of capital assets, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

As surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	20 - 40 years
Machinery and equipment	5 - 15 years

NOTES TO FINANCIAL STATEMENTS

Accumulated Compensated Absences:

All employees of the Jury, except for those of the Library, do not accumulate annual leave and sick pay but earn paid time off (“PTO”) depending on the length of their employment. Employees either use their PTO during the year or forfeit any remaining time at each year’s end.

No liability for accumulated compensated absences was recorded in the government-wide financial statements.

Employees of the Library earn from ten to 25 days of annual leave each anniversary year of employment, depending upon professional status. Up to one-half of one year’s annual leave may be accumulated with any excess being forfeited. Upon termination of employment with at least one year of continuous service, employees may be paid for accumulated annual leave at their current rate of pay. Employees earn 14 days of sick leave each year and may accumulate up to 45 days. Employees are not paid for nonvesting accumulated sick leave upon termination of employment.

The Jury’s recognition and measurement criteria for compensated absences follows:

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

1. The employees’ rights to receive compensation are attributable to services already rendered.
2. 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:

1. 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.

NOTES TO FINANCIAL STATEMENTS

2. 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.

Estimated accrued compensated absences resulting from unused annual leave for employees of the Library are considered immaterial at the end of the fiscal year and therefore are not recorded in the government-wide financial statements.

Compensated absences are paid from the fund responsible for the employee's compensation.

Accrued salaries earned by the employees of the Jury as of December 31, 2021 are considered immaterial and therefore no liability has been recorded in the government-wide or fund financial statements.

Pension:

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System of Louisiana (the "Plan"), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

Deferred Inflows/Outflows of Resources:

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expenditure until then. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Jury's deferred outflows and deferred inflows are resources related to property taxes and pensions.

NOTES TO FINANCIAL STATEMENTS

Equity Classifications:

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

1. Net investment in capital assets - consists of capital assets, net of accumulated depreciation.
2. Restricted - consists of net assets with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted - consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental fund equity is classified as fund balance. These statements provide more clearly defined fund balance categories to make the nature and extent of the constraints placed on the Jury's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Nonspendable - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
2. Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
3. Committed - amounts constrained to specific purposes by the Jury itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Jury takes the same highest level action to remove or change the constraint;
4. Assigned - amounts that the Jury intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
5. Unassigned - amounts that are available for any purpose; positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available for use, the Jury normally uses restricted resources first, then unrestricted resources as needed.

NOTES TO FINANCIAL STATEMENTS

Revenue Recognition - Property and Sales/Use Taxes:

Property taxes attach as an enforceable lien on property as of the date of the tax rolls are filed with the recorder of mortgages which, by law, must be on or before November 15 of each year. Billed taxes become delinquent on January 1 of the following year. Richland Parish Sheriff bills and collects the Jury's property taxes using the assessed values determined by Richland Parish Tax Assessor.

Sales/use taxes collected and held by other governments at year end on behalf of the Jury and those collected by other governments and remitted to the Jury within 60 days after December 31 for preceding months are recognized as revenue. The sales/use taxes are collected by Richland Parish Sales and Use Tax Commission and remitted to the Jury.

Note 2. Deposits with Financial Institutions

The following is a summary of cash and certificates of deposit (book balances) held by the Jury as of December 31, 2022:

Interest bearing demand deposits	\$ 11,250,998
Non-interest bearing demand deposits	57,572
Certificates of deposit	1,582,813
Petty cash	<u>170</u>
	<u>\$ 12,891,553</u>

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities were held in the name of the pledging fiscal agent bank in a holding or custodial bank that was mutually acceptable to both parties.

As of December 31, 2022, the Jury had \$12,917,597 in deposits (collected bank balances). These deposits were secured from risk by \$750,000 of federal deposit insurance and \$12,167,597 of pledged securities held by B1 Bank, Winnsboro State Bank & Trust, and Cross Keys Bank.

There were no repurchase or reverse repurchase agreements as of December 31, 2022. The Jury has formally adopted deposit and investment policies that limit the Jury's allowable deposits or investments and address the specific types of risk to which the Jury is exposed.

NOTES TO FINANCIAL STATEMENTS

Note 3. Receivables

A summary of receivables as of December 31, 2022 is as follows:

	<u>General</u>	<u>Road Maintenance</u>	<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Property taxes	\$ 1,200,278	\$ -	\$ 259,062	\$ 885,626	\$ -	\$ 2,344,966
Franchise fees	886	-				886
Intergovernmental:						
Beer taxes	3,100	-	-	-	-	3,100
Parish Transportation Act	-	30,191	-	-	-	30,191
Severance taxes	3,687	-	-	-	-	3,687
Other	204	-	-	-	-	204
Fees, charges, and commissions for services	22,495	-	-	-	-	22,495
Fines and forfeitures	193				2,694	2,887
Interest and miscellaneous	4,740	-	-	-	-	4,740
	<u>\$ 1,235,583</u>	<u>\$ 30,191</u>	<u>\$ 259,062</u>	<u>\$ 885,626</u>	<u>\$ 2,694</u>	<u>\$ 2,413,156</u>

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NOTES TO FINANCIAL STATEMENTS

Note 4. Taxes

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General corporate purposes	10.74	8.88	Perpetual
Health unit	1.25	1.17	2028
Library	4.75	4.00	2028

Total property taxes levied were \$2,375,597 for the above millages. As of December 31, 2022, property taxes receivable was \$2,344,966.

The following were the principal property taxpayers for Richland Parish as a whole:

<u>Taxpayer</u>	<u>Total Assessed Valuation</u>
Southeast Supply Header	\$ 11,563,740
Lamb Weston, Inc.	10,933,930
Gulf South Pipeline Co., LLC	9,437,230
Denbury Onshore, LLC	7,326,590
Hydro Extrusion USA, LLC	6,800,090

For the year ended December 31, 2022, sales taxes that expire on December 31, 2024 were levied as follows:

<u>Rate</u>	<u>Purpose</u>
78% of 1%	constructing, overlaying, improving, repairing, and maintaining public roads and bridges
14% of 1%	purchase and maintenance of equipment used for constructing, overlaying, improving, repairing, and maintaining public roads and bridges
8% of 1%	maintenance of courthouse
71% of ½%	constructing, improving, and maintaining public drains and drainage facilities
25% of ½%	purchase and maintenance of equipment used in constructing, improving, and maintaining public drains and drainage facilities
4% of ½%	maintenance of courthouse

NOTES TO FINANCIAL STATEMENTS

Note 5. Rights to Use Leased Assets and Amortization

The Jury has recorded rights to use leased assets for equipment that are amortized on a straight-line basis over the terms of the each lease. The related leases are discussed in Note 7. The rights to use leased assets activity for the Jury for the year ended December 31, 2022 is as follows:

	Balance - January 1, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance - December 31, <u>2022</u>
Leased assets:				
Equipment	\$ -	\$ 1,018,056	\$ -	\$ 1,018,056
Less accumulated amortization:				
Equipment	<u>-</u>	<u>212,114</u>	<u>-</u>	<u>212,114</u>
Total leased assets	<u>\$ -</u>	<u>\$ 805,942</u>	<u>\$ -</u>	<u>\$ 805,942</u>

Amortization expense of the Jury for the year ended December 31, 2022 was charged to the public works governmental function.

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets and Depreciation

Capital assets and depreciation activity as of and for the year ended December 31, 2022 for the governmental activities is as follows:

	Balance - January 1, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance - December 31, <u>2022</u>
Capital assets not being depreciated:				
Land	\$ 311,523	\$ -	\$ -	\$ 311,523
Capital assets being depreciated:				
Infrastructure	\$ 599,388	\$ -	\$ -	\$ 599,388
Buildings and improvements	4,930,957	26,580	-	4,957,537
Machinery and equipment	5,245,581	1,184,632	-	6,430,213
Total capital assets being depreciated	\$10,775,926	\$ 1,211,212	\$ -	\$11,987,138
Less accumulated depreciation for:				
Infrastructure	\$ 87,091	\$ 15,369	\$ -	\$ 102,460
Buildings and improvements	1,848,859	60,811	-	1,909,670
Machinery and equipment	4,506,996	384,981	-	4,891,977
Total accumulated depreciation	\$ 6,442,946	\$ 461,161	\$ -	\$ 6,904,107
Total capital assets being depreciated, net	\$ 4,332,980	\$ 750,051	\$ -	\$ 5,083,031

Depreciation expense of the Jury for the year ended December 31, 2021 was charged to the following governmental functions:

General government	\$ 47,003
Public safety	2,785
Public works	316,802
Health and welfare	27,972
Culture and recreation	66,599
	<u>\$ 461,161</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Non-Current Liabilities

During the year ended December 31, 2018, the Jury incurred \$350,000 of long-term debt from tax revenue bonds to finance the construction of the courthouse facility annex. The bonds are secured with a pledge of a portion of the sales taxes collected in the parish for the Jury.

The principal balance of the long-term debt as of January 1, 2022 was \$291,666 with \$23,333 being retired during the year ended December 31, 2022. The current (due within one year) and long-term (due in more than one year) portions of the long-term debt of the governmental activities as of December 31, 2022 are \$23,333 and \$245,000, respectively.

The bonds bear interest at 2.99%, interest is due monthly beginning in January 2019, and principal is payable June and December of each year, beginning December 1, 2019.

The annual requirements to amortize the bonds and interest as of December 31, 2022 are:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 23,333	\$ 7,849	\$ 31,182
2024	23,333	7,151	30,484
2025	23,333	6,453	29,786
2026	23,333	5,756	29,089
2027	23,333	5,058	28,391
Thereafter	<u>151,668</u>	<u>15,872</u>	<u>167,540</u>
	<u>\$ 268,333</u>	<u>\$ 48,139</u>	<u>\$ 316,472</u>

The Jury has entered into equipment lease agreements that qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The beginning value of the operating leases as of January 1, 2022 was \$1,018,056 with \$203,591 being retired during the year ended December 31, 2022. The current (due within one year) and long-term (due in more than one year) portions of the leases of the governmental activities as of December 31, 2022 are \$335,995 and \$478,470, respectively.

<u>Year Ending December 31,</u>	<u>Liability Reduction</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 335,995	\$ 26,218	\$ 362,213
2024	329,514	13,045	342,559
2025	<u>148,956</u>	<u>1,791</u>	<u>150,747</u>
	<u>\$ 814,465</u>	<u>\$ 41,054</u>	<u>\$ 855,519</u>

NOTES TO FINANCIAL STATEMENTS

The Jury made payments of \$111,169 from the Road Maintenance Fund and \$296,717 from the Drainage Maintenance Fund during the year ended December 31, 2022 under operating leases.

Note 8. Pension Plan and Other Pension Liabilities

The Jury's employees are provided with benefits through the following multiple-employer cost-sharing plan:

- PERSLA (Plan A) provides retirement benefits to employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

General Information About the Plan:

- PERSLA membership is provided on the date of employment to all permanent employees who work at least 28 hours per week. The Jury participates in Plan A and provides retirement benefits to any member of Plan A who was hired before January 1, 2007 meeting one of the following criteria:
 - Any age with 30 or more years of creditable service
 - Age 55 with a minimum of 25 years of creditable service
 - Age 60 with a minimum of 10 years of creditable service
 - Age 65 with a minimum of 7 years of creditable service

For members hired after January 1, 2007, benefits are provided to any member of Plan A meeting one of the following criteria:

- Age 55 with 30 years of creditable service
- Age 62 with 10 years of creditable service
- Age 67 with 7 years of creditable service

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

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During such period, employer contributions continue but employee contributions cease.

NOTES TO FINANCIAL STATEMENTS

Monthly benefits that the member would have received during the DROP period are paid into the DROP fund. Interest is earned when the member has completed DROP participation, based on the actual rate of return on the investments identified as DROP funds for the period.

For the year ended December 31, 2021, the actual employer contribution rate was 12.25% and the actuarially required contribution rate was 10.38%.

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

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources:

As of December 31, 2022, the Jury reported a total of \$(1,345,488) for its proportionate shares of the net pension liability (asset) of the Plan.

The net pension liability was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Jury's proportion of the net pension asset was based on a projection of the Jury's long-term contributions to the Plan's relative to the projected contributions of all participating employers, actuarially determined. The Jury's proportion of the Plan as of December 31, 2021 was 0.29%.

Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Jury's contributions to the System under Plan A for the years ended December 31, 2022, 2021, and 2020 were \$222,733, \$234,766, and \$249,277 respectively, equal to the required contributions for each year.

For the year ended December 31, 2022, the Jury recognized pension expense (benefit) of (\$253,343).

NOTES TO FINANCIAL STATEMENTS

In addition, the Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes in proportion	\$ -	\$ 44,472
Differences between expected and actual experience	81,293	97,517
Change of assumptions	70,170	-
Net difference between projected and actual earnings on pension plan investments	-	1,163,824
Jury's contributions subsequent to the measurement date	<u>222,733</u>	<u>-</u>
 Total deferred outflows and inflows of resources	 <u>\$ 374,196</u>	 <u>\$ 1,305,813</u>

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

<u>Year Ending December 31,</u>	
2023	\$(246,761)
2024	(471,060)
2025	(311,784)
2026	<u>(124,745)</u>
 Total	 <u><u>\$(1,154,350)</u></u>

NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions:

The total pension liabilities in the December 31, 2021 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

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

Mortality rates were based on the Pub-2010 Public Employee Retirement Plans Mortality Table for active members, Healthy Annuitant Table for healthy annuitants, and Disabled Lives Mortality Tables for disabled annuitants.

The investment rate of return was determined based on 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 rate of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification.

NOTES TO FINANCIAL STATEMENTS

Target Asset Allocation:

The Plan's target asset allocation as of December 31, 2021 is as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	33%	.85%
Equity	51%	3.23%
Alternatives	14%	.71%
Real assets	<u>2%</u>	<u>.11%</u>
Totals	<u>100%</u>	4.90%
Inflation		<u>2.10%</u>
Expected arithmetic nominal return		<u>7.00%</u>

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

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

<u>1% Decrease (5.40%)</u>	<u>Current Discount Rate (6.40%)</u>	<u>1% Increase (7.40%)</u>
<u>\$ 239,875</u>	<u>\$(1,345,488)</u>	<u>\$(2,673,520)</u>

Pension Plan Fiduciary Net Position:

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

NOTES TO FINANCIAL STATEMENTS

Other Pension Liabilities:

The Jury pays a portion of the salaries for employees of the registrar of voters. These employees are also covered by a multiple-employer public employees retirement system requiring employee and employer contributions. The Jury's and employees' contributions to the system is considered immaterial with respect to the Jury and the benefit system as a whole.

Note 9. Contingencies and Risk Management

The Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Jury carries commercial insurance for all risks of loss, including workers' compensation. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage for each of the past three fiscal years.

As of the date of this report, there were four pending lawsuits against the Jury involving an automobile accident, property damages, and a trip/fall incident. The suit involving the automobile accident is considered dormant by the Jury's legal counsel who is waiting three years to file an abandonment.

One of the property damage suits was originally filed in July 2021 but the Jury's insurance carrier was not advised of the claim until February 2023. The insurer is investigating the allegations and as of the date of this report, provides no evaluation of potential liability or damages.

The second property damage suit was originally filed on March 24, 2023. The Jury's insurance carrier sent a coverage letter to the Jury on May 19, 2023, outlining certain provisions of the policy which may limit or preclude coverage. The insurer has assigned defense counsel to represent the Jury.

A trip/fall incident related suit was filed on April 24, 2022. The plaintiff has presented a settlement offer of \$44,500 which has been rejected. No trial date has been set as of the date of this report. The Jury's legal counsel advised that the Jury has liability insurance in the amount of \$1,000,000 each occurrence with a general aggregate of \$3,000,000.

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable, if any, as of December 31, 2022 may be impaired. In the opinion of the Jury's management, there are no known significant contingent liabilities as of December 31, 2022 relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

When both restricted and unrestricted resources are available for use, the Jury normally uses restricted resources first, then unrestricted resources as needed.

No 10. Subsequent Events (unaudited)

The American Rescue Plan Act ("ARPA") was signed into law on March 11, 2021 providing additional financial relief to the effects of the pandemic. The Jury has received total funding of \$3,958,000. These funds may be used to cover qualifying costs obligated between March 31, 2021 and December 31, 2024 and expended by December 31, 2026.

As of the date of this report, \$752,487 of the funds received have been expended and \$736,619 have been committed.

Additional ARPA funds of \$50,000 are expected to be received later in 2023.

The Jury has evaluated subsequent events through June 22, 2023, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION (Part 2 of 2)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - GENERAL FUND
For the Year Ended December 31, 2022

	<u>Budget</u>			Variance -
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 1,109,000	\$ 1,169,500	\$ 1,219,386	\$ 49,886
Licenses and permits	167,500	208,700	209,455	755
Intergovernmental	254,850	2,461,400	2,537,466	76,066
Fees, charges, and commissions for services	17,000	16,300	16,321	21
Fines and forfeitures	2,000	3,000	3,072	72
Interest and miscellaneous	24,900	30,700	34,673	3,973
Total revenues	<u>\$ 1,575,250</u>	<u>\$ 3,889,600</u>	<u>\$ 4,020,373</u>	<u>\$ 130,773</u>
Expenditures:				
Current:				
General government:				
Legislative	\$ 280,833	\$ 273,398	\$ 273,041	\$ 357
Judicial	100,999	146,911	146,792	119
Elections	73,833	48,468	48,468	-
Finance and administrative	431,423	308,698	342,117	(33,419)
Other	2,068,946	49,025	64,017	(14,992)
Public safety	397,084	1,050,386	1,053,311	(2,925)
Health and welfare	95,350	82,540	82,142	398
Economic development and assistance	108,000	108,000	108,401	(401)
Capital outlay	-	-	-	-
Total expenditures	<u>\$ 3,556,468</u>	<u>\$ 2,067,426</u>	<u>\$ 2,118,289</u>	<u>\$ (50,863)</u>

(continued)

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES , AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - GENERAL FUND (Continued)
For the Year Ended December 31, 2022

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Excess (deficiency) of revenues over expenditures	\$(1,981,218)	\$ 1,822,174	\$ 1,902,084	\$ 79,910
Other financing sources (uses):				
Operating transfers in (out)	<u>56,715</u>	<u>656,715</u>	<u>(202,799)</u>	<u>(859,514)</u>
Net change in fund balances	\$(1,924,503)	\$ 2,478,889	\$ 1,699,285	\$(779,604)
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>2,412,232</u>	<u>2,823,332</u>	<u>2,011,742</u>	<u>(811,590)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 487,729</u>	<u>\$ 5,302,221</u>	\$ 3,711,027	<u>\$ 1,591,194</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			(42,398)	
Expenditure accruals			(4,683)	
Deferred revenue			<u>(1,732,493)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 1,931,453</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - ROAD MAINTENANCE FUND
For the Year Ended December 31, 2022

	<u>Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 3,000,000	\$ 3,740,000	\$ 3,739,790	\$(210)
Intergovernmental	273,150	360,000	322,392	(580,865)
Fees, charges, and commissions	-	85,000	84,339	(306)
Interest and miscellaneous	5,000	16,000	16,076	(228)
Total revenues	<u>\$ 3,278,150</u>	<u>\$ 4,201,000</u>	<u>\$ 4,162,597</u>	<u>\$ (573,399)</u>
Expenditures:				
Current:				
Public works	\$ 4,235,580	\$ 4,850,680	\$ 3,483,774	\$ 190,445
Capital outlay	-	-	901,946	(139,950)
Total expenditures	<u>\$ 4,235,580</u>	<u>\$ 4,850,680</u>	<u>\$ 4,385,720</u>	<u>\$ 50,495</u>
Excess (deficiency) of revenues over expenditures	\$(957,430)	\$(649,680)	\$(223,123)	\$(522,904)
Other financing sources:				
Operating transfers in	-	37,000	202,687	-
Net changes in fund balances	\$(957,430)	\$(612,680)	\$(20,436)	\$(522,904)
Fund balances - beginning (non- GAAP and GAAP budgetary basis)	<u>1,000,000</u>	<u>2,275,000</u>	<u>1,592,065</u>	<u>(65,396)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 42,570</u>	<u>\$ 1,662,320</u>	\$ 1,571,629	<u>\$ (588,300)</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			7,784	
Expenditure accruals			<u>39,960</u>	
Fund balance - ending (GAAP basis)			<u>\$ 1,619,373</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - DRAINAGE MAINTENANCE FUND
For the Year Ended December 31, 2022

	<u>Original</u>	<u>Budget Final</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,500,000	\$ 1,955,000	\$ 1,951,195	\$(3,805)
Fees, charges, and commissions for services	-	58,500	51,990	(6,510)
Interest and miscellaneous	<u>2,000</u>	<u>3,905</u>	<u>3,928</u>	<u>23</u>
Total revenues	<u>\$ 1,502,000</u>	<u>\$ 2,017,405</u>	<u>\$ 2,007,113</u>	<u>\$(10,292)</u>
Expenditures:				
Current:				
Public works	\$ 1,740,100	\$ 2,000,981	\$ 1,769,071	\$ 231,910
Capital outlay	<u>-</u>	<u>-</u>	<u>223,081</u>	<u>(223,081)</u>
Total expenditures	<u>\$ 1,740,100</u>	<u>\$ 2,000,981</u>	<u>\$ 1,992,152</u>	<u>\$ 8,829</u>
Net changes in fund balances	\$(238,100)	\$ 16,424	\$ 14,961	\$(1,463)
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>400,000</u>	<u>569,800</u>	<u>573,948</u>	<u>4,148</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 161,900</u>	<u>\$ 586,224</u>	\$ 588,909	<u>\$ 2,685</u>
Adjustments to generally accepted accounting principles:				
Expenditure accruals			<u>(16,802)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 572,107</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - HEALTH UNIT FUND
For the Year Ended December 31, 2022

	<u>Budget</u>			Variance -
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 235,000	\$ 250,500	\$ 260,586	\$ 10,086
Intergovernmental	11,000	11,100	11,035	(65)
Interest and miscellaneous	6,000	4,938	4,883	(55)
Total revenues	\$ 252,000	\$ 266,538	\$ 276,504	\$ 9,966
Expenditures:				
Current:				
Health and welfare	<u>216,215</u>	<u>206,605</u>	<u>212,417</u>	<u>(5,812)</u>
Net changes in fund balances	\$ 35,785	\$ 59,933	\$ 64,087	\$ 4,154
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>850,000</u>	<u>908,900</u>	<u>965,373</u>	<u>56,473</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 885,785</u>	<u>\$ 968,833</u>	<u>\$ 1,029,460</u>	<u>\$ 60,627</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			3,921	
Deferred revenue accruals			3,641	
Expenditure accruals			<u>2,901</u>	
Fund balance - ending (GAAP basis)			<u>\$ 1,039,923</u>	

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GOVERNMENTAL FUND - LIBRARY FUND
For the Year Ended December 31, 2022

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,083,000	\$ 862,500	\$ 907,720	\$ 45,220
Intergovernmental	42,408	23,792	23,966	174
Fees, charges, and commissions for services	17,000	15,500	13,960	(1,540)
Fines and forfeitures	2,200	10,100	1,809	(8,291)
Interest and miscellaneous	43,550	56,490	48,956	(7,534)
Total revenues	<u>\$ 1,188,158</u>	<u>\$ 968,382</u>	<u>\$ 996,411</u>	<u>\$ 28,029</u>
Expenditures:				
Current:				
Culture and recreation	\$ 3,354,228	\$ 1,154,354	\$ 1,137,371	\$ 16,983
Capital outlay	70,100	15,000	86,184	(71,184)
Total expenditures	<u>\$ 3,424,328</u>	<u>\$ 1,169,354</u>	<u>\$ 1,223,555</u>	<u>\$(54,201)</u>
Net changes in fund balances	\$(2,236,170)	\$(200,972)	\$(227,144)	\$(26,172)
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>2,236,170</u>	<u>2,760,325</u>	<u>3,813,426</u>	<u>1,053,101</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ -</u>	<u>\$ 2,559,353</u>	\$ 3,586,282	<u>\$ 1,026,929</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			13,347	
Deferred revenue accruals			12,446	
Expenditure accruals			<u>8,846</u>	
Fund balance - ending (GAAP basis)			<u>\$ 3,620,921</u>	

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RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - PERSLA
Last Ten Fiscal Years Ended December 31

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of net pension liability	.29%	.30%	.33%	.37%	.35%	.35%	.34%	.31%
Proportionate share of net pension liability (asset)	\$(1,345,488)	\$(534,732)	\$ 15,322	\$ 1,632,380	\$(260,431)	\$ 726,940	\$ 907,758	\$ 84,471
Covered employees' payroll	\$ 1,916,450	\$ 2,032,437	\$ 2,061,977	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Proportionate share of net pension liability as a percentage of covered employees' payroll	-70.21%	-26.31%	.74%	72.73%	-11.84%	32.66%	45.91%	4.92%
Plan fiduciary net position as a percentage of total pension liability (asset)	-10.46%	-3.99%	99.89%	88.86%	101.98%	94.15%	92.23%	99.15%

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RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF JURY'S CONTRIBUTIONS - PERSLA
Last Ten Fiscal Years Ended December 31

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractuallyrequiredcontribution	\$234,766	\$ 249,518	\$ 237,331	\$ 259,391	\$ 275,046	\$ 278,216	\$ 286,703	\$ 225,768
Contributions in relation to contractuallyrequiredcontribution	<u>234,766</u>	<u>249,518</u>	<u>237,331</u>	<u>259,391</u>	<u>275,046</u>	<u>278,216</u>	<u>286,703</u>	<u>225,768</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employees' payroll	\$ 1,916,450	\$ 2,032,437	\$ 2,061,977	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Contribution as a percentage of covered employees' payroll	12.25%	12.25%	11.50%	11.50%	12.50%	12.50%	14.50%	13.15%

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OTHER SUPPLEMENTARY INFORMATION

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2022

	<u>Off-Duty Officers</u>	<u>Courthouse Maintenance</u>	Total Non-Major Governmental <u>Funds</u>
ASSETS			
Cash	\$ 23,576	\$ 212,338	\$ 235,914
Receivables	<u>2,694</u>	<u>-</u>	<u>2,694</u>
Total assets	<u><u>\$ 26,270</u></u>	<u><u>\$ 212,338</u></u>	<u><u>\$ 238,608</u></u>
LIABILITIES			
Accounts payable	\$ 100	\$ 6,448	\$ 6,548
Due to other funds	<u>-</u>	<u>1,353</u>	<u>1,353</u>
Total liabilities	\$ 100	\$ 7,801	\$ 7,901
FUND BALANCES			
Restricted for special revenue	<u>26,170</u>	<u>204,537</u>	<u>230,707</u>
Total liabilities and fund balances	<u><u>\$ 26,270</u></u>	<u><u>\$ 212,338</u></u>	<u><u>\$ 238,608</u></u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2022

	Off-Duty <u>Officers</u>	Courthouse <u>Maintenance</u>	Total Non-Major Governmental <u>Funds</u>
Revenues:			
Taxes	\$ -	\$ 406,499	\$ 406,499
Fines and forfeitures	26,026	-	26,026
Interest and miscellaneous	43	1,826	1,869
Total revenues	<u>\$ 26,069</u>	<u>\$ 408,325</u>	<u>\$ 434,394</u>
Expenditures:			
Current:			
General government:			
Judicial	\$ 22,696	\$ -	\$ 22,696
Other	-	286,372	286,372
Debt service	-	31,879	31,879
Total expenditures	<u>\$ 22,696</u>	<u>\$ 318,251</u>	<u>\$ 340,947</u>
Net changes in fund balances	\$ 3,373	\$ 90,074	\$ 93,447
Fund balances - beginning	<u>22,797</u>	<u>114,463</u>	<u>137,260</u>
Fund balances - ending	<u><u>\$ 26,170</u></u>	<u><u>\$ 204,537</u></u>	<u><u>\$ 230,707</u></u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF JURORS' COMPENSATION
For the Year Ended December 31, 2022

The schedule of compensation paid to jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Jury has elected the monthly payment method of compensation. Under this method, the jurors each received \$1,600 per month as follows:

Steve Lofton	\$ 19,200
Althan Smith	19,200
Elliot D. Colvin	19,200
Steven D. Craig II	19,200
Barbara Carroll	19,200
Norman C. Russell	19,200
Patrick L. Stubblefield	19,200
Jesse Lively	19,200
Thomas R. Wiggins, Jr.	<u>19,200</u>
 Total jurors' compensation	 <u>\$ 172,800</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
As of and For the Year Ended December 31, 2022

Agency Head Name: James S. Lofton

<u>Purpose</u>	<u>Amounts</u>
Compensation	\$ 19,200
Insurance	<u>6,124</u>
Total compensation, benefits, and other payments to agency head	<u>\$ 25,324</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY - CASH BASIS
For the Year Ended December 31, 2022

	First Six Month Period Ended <u>June 30, 2022</u>	Second Six Month Period Ended <u>December 31, 2022</u>
Receipts:		
Richland Parish Sheriff - fines and forfeitures	\$ 3,072	\$ 212
Richland Parish Sheriff - off-duty officers	<u>10,458</u>	<u>13,233</u>
Total receipts	<u>\$ 13,530</u>	<u>\$ 13,445</u>
Ending balance of amounts assessed but not received	<u>\$ -</u>	<u>\$ -</u>

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of and For the Year Ended December 31, 2022

<u>Program Name</u>	<u>Federal ALN Number</u>	<u>Award Number</u>	<u>Expenditures</u>
Department of Housing and Urban Development			
Community Development Block Grant			
Archibald Water System Improvements	14.228		\$2,000
Department of Treasury			
American Rescue Plan Act			
Coronavirus State and Local Fiscal Recovery	21.027	N/A	\$255,487
Department of Homeland Security			
Louisiana Governor's Office of Homeland		FMA-PJ-	
Security and Emergency Preparedness Flood		06-LA-	
Mitigation Assistance Program	97.029	2018-003	<u>\$619,592</u>
Total expenditures of federal awards			<u><u>\$877,079</u></u>

See accompanying notes to schedule of expenditures of federal awards.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of and for the Year Ended December 31, 2022

Note 1. General

The schedule of expenditures of federal awards presents the activity of all federal award programs of the Jury. The Jury's reporting entity is defined in Note 1 to the notes to the financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule.

Note 2. Basis of Accounting

The schedule of expenditures of federal awards is presented using the accrual basis of accounting, which is also described in Note 1 to the notes to the financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Federal Indirect Cost Rate

The Jury did not elect to use the 10% de minimis federal indirect cost rate allowed for the year ended December 31, 2022.

HILL, INZINA & COMPANY

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

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Jury's basic financial statements and have issued our report thereon dated June 22, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Jury's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-1 and 2022-2, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 questioned costs as item 2022-3.

Jury's Responses to Findings

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

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 Jury'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 Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by Louisiana Legislative Auditor as a public document.

/s/ Hill, Inzina & Co.

June 22, 2023

HILL, INZINA & COMPANY

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

Police Jurors
Richland Parish Police Jury
Rayville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Richland Parish Police Jury's (the "Jury") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Jury's major federal programs for the year ended December 31, 2022. The Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Jury, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of that report.

We are required to be independent of the Jury and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Jury's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Jury's federal programs.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Jury's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Jury's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Jury's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Jury's internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Jury's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

/s/ Hill, Inzina & Co.

June 22, 2023

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH
MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION
As of and for the Year Ended December 31, 2022

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2022, which collectively comprise the basic financial statements of the Jury's primary government and have issued our report thereon dated June 22, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our audit of the financial statements as of December 31, 2022 resulted in an unmodified opinion on the primary government's governmental activities, each major fund, and the aggregate remaining fund information. An adverse opinion was rendered on the aggregate discretely presented component units and a qualified opinion was rendered on the aggregate remaining fund information.

Section I - Summary of Auditor's Reports

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*

1. Type of auditor's report issued:

Governmental activities - unmodified
Major funds - unmodified
Aggregate discretely presented component units - adverse
Aggregate remaining fund information - qualified

2. Internal control over financial reporting:

Material weakness(es) identified? - no
Significant deficiency(ies) identified? - yes

3. Noncompliance material to financial statements noted? - yes

Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

4. Type of auditor's report issued on compliance for major program - unmodified opinion

5. Internal control over major programs:

Material weakness(es) identified? - no
Significant deficiency(ies) identified? - no

6. Any audit findings disclosed that are required to be reported on under Section 200.516 paragraph (a) of the Uniform Guidance - no

7. Identification of major program:

Department of Homeland Security CFDA Number 97.029
Louisiana Governor's Office of Homeland Security and Emergency Preparedness Flood
Mitigation Assistance Program

8. Dollar threshold used to distinguish between type A and type B programs - \$750,000.

9. Auditee qualified as low-risk auditee? - no

Section II - Financial Statement Findings

2022-1 Inadequate Segregation of Duties (initially cited in first audit conducted by our firm as of and for the two years ended December 31, 1993)

Criteria: Adequate segregation of duties is essential to a proper internal control structure.

Condition: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic limitations.

Effect: Not determined.

Recommendation: No action is recommended.

Management's
response and
planned cor-
rective action: We concur with the finding, but it is not economically feasible for
corrective action to be taken.

2022-2 Written Policies and Procedures (initially cited for year ended December 31, 2018)

Criteria: Written policies and procedures are necessary to ensure that the
procedures followed by employees meet management's expectations.
These should address at minimum:
budgeting
purchasing
disbursements
receipts/collections
payroll/personnel
contracting
credit cards
travel and expense reimbursement
ethics
debt service
information technology disaster recovery/business continuity
sexual harassment

Condition: The Jury has no formal, written policies and procedures that have been recently reviewed and revised.

Cause: The latest major revisions to the Jury's policies and procedures were made in 2010.

Effect: There is not a clear understanding of day-to-day operations to ensure that management's expectations are being met.

Recommendation: Revising and updating the policies and reducing to written form should be a top priority of the Jury.

Management's response and planned corrective action: The Jury adopted an operations manual on April 3, 2023.

2022-3 Violation of State Statutes (initial citing)

Criteria: Pursuant to Louisiana Revised Statutes 24:513 and 24:514, all annual audits must be completed and submitted to the Legislative Auditor within six months of the close of the auditee's fiscal year.

Condition: The Jury's annual audit for the fiscal year ended December 31, 2022 was not submitted to the Legislative Auditor within six months of the end of the fiscal year.

Cause: While drafting the financial statements and notes thereto, some issues arose that required additional time to gather sufficient information for correct reporting.

Effect: The Jury is in violation of the statutes.

Recommendation: Financial statements and notes thereto should be timely drafted allowing adequate time to address issues that may arise.

Management's response and planned corrective action: Management concurs with the finding and recommended action. The submission date is expected to be on or before July 20, 2023.

Section III - Management Letter

None issued.

RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2022

Section II - Financial Statement Findings

2021-1 Inadequate Segregation of Duties

Adequate segregation of duties is essential to a proper internal control structure.

Unresolved - 2022-1.

2021-2 Written Policies and Procedures

The Jury should have written policies and procedures to ensure that the procedures followed by employees meet management's expectations.

Unresolved - 2022-2.

Section III - Management Letter

None issued.

HILL, INZINA & COMPANY

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Police Jurors of the Richland Parish Police Jury and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2022 through December 31, 2022. Richland Parish Police Jury's (Jury) management is responsible for those C/C areas identified in the SAUP.

The Jury has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUP for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the Jury's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the Jury's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Commission's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access (EMMA) reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**As of December 31, 2022, the Jury had no written policies and procedures addressing the specifics relative to the given subjects.

Board or Finance Committee

2. Obtain and inspect the Jury's and finance committee minutes for the fiscal period, as well as the Jury's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the Jury's and finance committee met with a quorum at least monthly, or on frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

******The jurors and finance committee met at least monthly during the fiscal period.

- a) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

******The minutes referenced monthly budget-to-actual comparisons.

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

******The general fund did not have a negative ending unassigned fund balance in the prior year's audit report.

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

****** Only one of the two audit findings from the previous audit suggested corrective action.

The Jury does not have a current policy and procedure manual as of December 31, 2022.

No written updates of progress were provided to the jurors at each meeting.

Bank Reconciliations

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

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

****The selected bank reconciliations included evidence that they were prepared within two months by two employees initialing and dating each.**

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

****There was no evidence that a member of management/juror, who was not involved in the transactions, reviewed the bank reconciliations.**

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

****None of the reconciliations had reconciling items that had been outstanding for more than 12 months from the statement closing date.**

Collections (excluding electronic funds transfers)

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

****Management of the Jury provided a listing of deposit sites and representation that the listing was complete.**

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

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

****The Jury's only deposit site did not use cash drawers/registers.**

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

****The Jury's cash collections were taken by an employee, another employee completed the deposit slip, and the initial employee carried the deposit to the bank.**

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

****The Jury's cash collections were made by employees that also posted collection entries to the general ledger with no other employee/official reconciling.**

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

**The Jury's employee(s) responsible for reconciling also were responsible for collecting with no other employee verifying.

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

**Management provided a copy of the insurance policy that was enforced during the fiscal period covering all employees having access to cash.

- 7. Randomly select two deposit dates for each of the five bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the ten deposits and:

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

**Sequentially pre-numbered receipts were not used by the Jury.

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

*Sequentially pre-numbered receipts, system reports, or other related collection documentation were not used to verify collections. Alternatively, transmittal advices, checks, etc. were traced to the deposit slips.

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

**Each deposit slip total was agreed with the actual deposit per the bank statement.

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

**The Jury did not document the date that all of the monies were received at the collection location - the date received was stamped on some. Only four selected deposits were deposited and cleared the bank within one business day of the advice's date or the stamped date. The Jury's collection location was not more than ten miles from the depository.

Two of the bank statements selected received funds by electronic money transfers only.

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

**The deposits were traced from the bank statement to the general ledgers.

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

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

****Management of the Jury provided a listing of locations that processed payments and representation that the listing was complete.**

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

****At least two employees were involved in the purchasing process.**

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

****At least two employees were involved in processing and approving payments.**

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

****Employees responsible for processing payments may also add/modify vendor files without periodical review by another employee.**

- d) Either the employee or official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

****Employees responsible for processing payments may also mail the same payments.**

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

****Only employees authorized to sign checks approved the electronic release of funds.**

10. For each location selected under #8 above, obtain the Jury's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five disbursements for each location, obtain supporting documentation for each transaction and:

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

****The five randomly selected disbursements matched the related original invoice/statement. There were no deliverables purchased.**

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

****All selected disbursements were made using federal funded grants. There was not adequate segregation of duties but no instances of noncompliance were noted or disclosed by grantor agency.**

- c) Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (1) approved by only those persons authorized to disburse funds (e.g., sign checks) per the Jury's policy, and (2) approved by the required number of authorized signers per the Jury's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

****The five selected disbursements were for payroll related disbursements/transfers and a check printing charge.**

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards

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

****Management of the Jury provided a listing of active cards.**

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

****On two of the three selected cards, there was no specific authorized cardholder - the cards were issued in the Jury's name, were held in the secretary/treasurer's office vault, and were "checked out" as needed for purchases. Administrative employees of the Jury, none of which were responsible for making the purchases, processed payments of the statement balances.**

**The Jury's check copy and original invoice(s) for a fuel card statement were not available but a copy of the canceled check and an online statement summary were provided.

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

**No finance charges or late fees were assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select ten transactions (or all transactions if less than ten) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have ten transactions subject to testing). For each transaction, observe that it is supported by (a) an original itemized receipt that identifies precisely what was purchased, (b) written documentation of the business/public purpose, and (c) documentation of the individuals participating in meals (for meal charges only).

**The selected transactions were supported by original receipts itemizing what was purchased and the business/public purpose was apparent from the detailed descriptions. None of the transactions were for meal charges,

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

**Some of the selected reimbursements were calculated using a mileage per diem that did not exceed the established rates.

- b) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

**The business/public purpose of each reimbursement was supported by written documentation.

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

** Each reimbursement was appropriately reviewed and approved.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five agreements/contracts (or all if less than five) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the agreement/contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
**The lease agreements were bid as required by law.
 - b) Observe whether the agreements/contracts were approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
**The lease agreements were approved by the governing board.
 - c) If the agreement/contract was amended (e.g., change order), observe the original agreement/contract terms provided for such an amendment and that amendments were made in compliance with the agreement/contract terms (e.g., if approval is required for any amendment, was approval documented).
**None of the selected agreements were amended during the fiscal period.
 - d) Randomly select one payment from the fiscal period for each of the five agreements/contracts, obtain the supporting invoice, agree the invoice to the agreement/contract terms, and observe the invoice and related payment agreed to the terms and conditions of the agreement/contract.
**The examined invoices agreed to the terms and conditions of the agreements.

Payroll and Personnel

16. Obtain a listing of employees and elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
**Management of the Jury provided a listing of employees and representation that the listing was complete.
17. Randomly select one pay period during the fiscal period. For the five employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
**All selected employees documented their daily attendance and leave.
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
**The employees' supervisors approved the attendance and leave.

- c) Observe any leave accrued or taken during the pay period is reflected in the Jury's cumulative leave records.
 - **Cumulative leave records were maintained in the Jury's payroll software.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate.
 - **All selections' salary/pay rate were authorized.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the Jury's policy on termination payments. Agree the hours to the employee or official's authorized pay rates in the employee or official's personnel file, and agree the termination payment to Jury's policy.
- **Management of the Jury provided a listing of five employees that received termination payments. The hours used to calculate the termination payments for the two selected employees were documented. The Jury did not have a termination policy as of December 31, 2022.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
- **Management of the Jury provided representation that payroll related amounts were paid and related forms were timely filed.

Ethics

20. Using the five randomly selected employees or officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates that each employee or official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
 - **Documentation was provided that four of five employees completed one hour of ethics training during the calendar year.
 - b) Observe whether the Jury maintained documentation which demonstrated that each employee or official was notified of any changes to the Jury's ethics policy during the fiscal period, as applicable.
 - ** The Jury did not have written policies relative to ethics as of December 31, 2022.
 - c) Inquire and/or observe whether the Jury appointed an ethics designee as required by R.S. 42:1170.
 - ** The Jury did not appoint an ethics designee.

Debt Service

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

****The Jury did not issue any debt instruments during the fiscal period.**

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

****Management of the Jury provided a listing of the note outstanding and such did not have related debt covenants.**

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriation(s) on the listing, obtain supporting documentation, and observe that the Jury reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Jury is domiciled as required by R.S. 24:523.

****The Jury's management asserted that there were no misappropriations of public funds and assets during the fiscal period.**

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

****The Jury posted the notice in the lobbies of the Jury's administrative office and the public works department. The Jury did not have a website.**

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures and verbally discuss the results with management.
- Obtain and inspect the Jury's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (1) occurred within the past week, (2) were not stored on the Jury's local server or network, and (3) were encrypted.

****The Jury hired an outside company to manage information technology disaster recovery/business continuity issues.**

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

**The Jury hired an outside company to manage information technology disaster recovery/business continuity issues.

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

**We performed the procedure and discussed the results with management.

- d) Randomly select five terminated employees (or all terminated employees if less than five) using the list of terminated employees obtained in procedure #18 under "Payroll and Personnel". Observe evidence that the selected terminated employees were removed or disabled from the network.

**The terminated employees' status was noted as "inactive" in the payroll system.

Sexual Harassment

- 26. Using the five randomly selected employees or officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management and observe the documentation demonstrates each employee or official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

**Documentation was provided that four of five employees completed one hour of sexual harassment training during the calendar year.

- 27. Observe the Jury had posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the Jury's premises if the Jury did not have a website).

**The Jury posted the notice in the lobbies of the Jury's administrative office and the public works department. The Jury did not have a website.

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

- a) Number and percentage of public servants in the Jury who have completed the training requirements.
- b) Number of sexual harassment complaints received by the Jury.

- c) Number of complaints which resulted in a finding that sexual harassment occurred.
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action
- e) Amount of time it took to resolve each complaint.

**The Jury's annual sexual harassment report was not filed for the current fiscal period.

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

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUP, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

/s/ Hill, Inzina & Co.

Bastrop, Louisiana

June 22, 2023

Management's Response

The Jury adopted an updated policy and procedure manual and April 3, 2023. We have worked to segregate the duties of the office as much as possible but there are only three employees in the office (with only two having access to write checks) and it is not economically feasible for us to hire additional staff. With that being said, the secretary/treasurer will be responsible for adding all new vendors to the accounting software and will periodically review checks before they are mailed out each day, review and initial deposits, and make sure deposits are stamped and made daily. We will also have the Jury's president review the bank statements each month and sign off on them.

We will have all employees complete the ethics and sexual harassment training and the secretary/treasurer will complete the annual sexual harassment report and the Jury will also assign an ethics designee.