

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2020**



**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

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Independent Auditor's Report

To the Honorable Members of the Police Jury
Claiborne Parish Police Jury
Homer, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

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

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Police Jury, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Police Jury, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The combining nonmajor fund financial statements; the Schedule of Compensation Paid Police Jurors; the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head; and the Justice System Funding Reporting Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements; the Schedule of Compensation Paid Police Jurors; the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head; the Justice System Funding Reporting Schedule' and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 and individual nonmajor fund financial statements; the Schedule of Compensation Paid Police Jurors; the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head; the Justice System Funding Reporting Schedule; and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2021, on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Police Jury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC



Ruston, Louisiana
December 29, 2021

Basic Financial Statements

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020**

ASSETS	
Cash and cash equivalents	\$ 8,403,801
Investments	1,109,116
Receivables	3,027,488
Due from other agencies	18,570
Deferred charges	81,624
Capital assets, net of accumulated depreciation	6,898,228
Other assets	5,873
TOTAL ASSETS	19,544,700
DEFERRED OUTFLOWS	
Deferred outflow - pension related	136,974
LIABILITIES	
Accounts, salaries and other payables	630,052
Due to other agencies	14,025
Deferred revenue	15,626
Compensated absences payable	114,779
Bonds payable within one year	235,000
Bonds payable in more than one year	1,195,000
Net pension liability	42,486
TOTAL LIABILITIES	2,246,968
DEFERRED INFLOWS	
Deferred inflows - pension related	426,477
NET POSITION	
Net investment in capital assets	6,168,228
Restricted for:	
General government	820,539
Public works	2,673,395
Public safety	227,416
Health and welfare	365,924
Culture and recreation	1,749,335
Unrestricted	5,003,392
TOTAL NET POSITION	\$ 17,008,229

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 2,012,679	\$ 496,859	\$ 191,933	\$ -	\$ (1,323,887)
Public safety	298,908	-	121,252	-	(177,656)
Public works	2,954,319	-	376,032	70,674	(2,507,613)
Health and welfare	713,013	61,618	610,110	35,763	(5,522)
Culture and recreation	747,030	8,293	74,312	-	(664,425)
Economic development and assistance	58,393	-	-	-	(58,393)
Conservation	7,000	-	-	-	(7,000)
Interest expense	24,038	-	-	-	(24,038)
Total governmental activities	<u>\$ 6,815,380</u>	<u>\$ 566,770</u>	<u>\$ 1,373,639</u>	<u>\$ 106,437</u>	<u>(4,768,534)</u>
General revenues:					
Property taxes					2,756,547
Sales and use taxes levied for public works					615,946
Other taxes, penalties and interest					12,531
Grants and contributions not restricted to specific programs					1,605,708
Net increase (decrease) in the fair value of investments					78,544
Gain (loss) on sale of capital assets					13,242
Contributions from private sources					950
Other					213,598
Total general revenues					<u>5,306,187</u>
Change in net position					537,653
Net position at beginning of year, restated					<u>16,470,576</u>
Net position at end of year					<u>\$ 17,008,229</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2020

ASSETS	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OFFICE OF COMMUNITY SERVICES	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and cash equivalents	\$ 5,384,836	\$ 101,234	\$ 976,040	\$ 621,363	\$ 127,872	\$ 73,621	\$ 94,265	\$ 1,024,570	\$ 8,403,801
Investments	592,072	3,237	6,654	335,810	-	-	165,191	6,152	1,109,116
Receivables	766,808	862,420	763,146	59,467	2,124	-	20,217	553,306	3,027,488
Due from other funds	7,754	-	-	-	-	-	27,251	18,812	53,817
Due from other agencies	18,570	-	-	-	-	-	-	-	18,570
Deferred charges	81,624	-	-	-	-	-	-	-	81,624
Other assets	-	-	-	-	-	-	5,873	-	5,873
TO TAL ASSETS	\$ 6,851,664	\$ 966,891	\$ 1,745,840	\$ 1,016,640	\$ 129,996	\$ 73,621	\$ 312,797	\$ 1,602,840	\$ 12,700,289
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES									
Liabilities:									
Accounts, salaries and other payables	\$ 300,340	\$ 97,014	\$ 72,178	\$ 59,625	\$ 53,289	\$ 1,836	\$ 14,383	\$ 31,387	\$ 630,052
Due to other funds	-	7,194	456	-	-	-	27,255	18,913	53,818
Due to other agencies	-	-	-	-	-	14,025	-	-	14,025
Total liabilities	<u>300,340</u>	<u>104,208</u>	<u>72,634</u>	<u>59,625</u>	<u>53,289</u>	<u>15,861</u>	<u>41,638</u>	<u>50,300</u>	<u>697,895</u>
Deferred inflows:									
Unavailable ad valorem tax revenue	<u>32,155</u>	<u>74,600</u>	<u>52,716</u>	<u>-</u>	<u>-</u>	<u>15,626</u>	<u>-</u>	<u>49,480</u>	<u>224,577</u>
Fund balances:									
Restricted fund balances	-	788,083	1,620,490	957,015	76,707	42,134	271,159	1,503,060	5,258,648
Unassigned fund balances	<u>6,519,169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,519,169</u>
Total fund balances	<u>6,519,169</u>	<u>788,083</u>	<u>1,620,490</u>	<u>957,015</u>	<u>76,707</u>	<u>42,134</u>	<u>271,159</u>	<u>1,503,060</u>	<u>11,777,817</u>
TO TAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 6,851,664	\$ 966,891	\$ 1,745,840	\$ 1,016,640	\$ 129,996	\$ 73,621	\$ 312,797	\$ 1,602,840	\$ 12,700,289

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Total fund balance - governmental funds	\$ 11,777,817
Amounts reported for governmental activities in the statement of net position are different because:	
Some assets are not financial resources.	
Capital assets	6,898,228
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	208,951
Deferred items for pension related items are not reported in the fund statements:	
Deferred outflows	136,974
Deferred inflows	(426,477)
Some liabilities, such as bonds payable and compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	
Compensated absences payable	(114,779)
Bonds payable	(1,430,000)
Net pension liability	(42,486)
Net position of governmental activities	<u>\$ 17,008,229</u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OFFICE OF COMMUNITY SERVICES	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES									
Taxes:									
Ad valorem	\$ 437,849	\$ 894,686	\$ 755,618	\$ -	\$ -	\$ -	\$ -	\$ 593,210	\$ 2,681,363
Sales and use	-	-	-	615,946	-	-	-	-	615,946
Other taxes, penalties and interest	6,291	5,155	-	-	1,085	-	-	-	12,531
Licenses and permits	108,592	6,500	-	-	-	-	-	-	115,092
Intergovernmental revenues:									
Federal funds	52,797	100,845	71,662	-	-	332,748	312,058	64,059	934,169
State funds:									
Severance taxes	1,399,904	-	-	-	-	-	-	-	1,399,904
State revenue sharing	17,406	38,086	17,368	-	-	-	-	25,255	98,115
Parish transportation	-	261,726	-	-	-	-	-	-	261,726
Fire insurance rebate	64,154	-	-	-	-	-	-	-	64,154
Other state funds	101,218	-	2,650	-	-	-	1,068	-	104,936
Fees, charges, and commissions	-	-	8,293	-	-	-	61,618	8,614	78,525
Fines and forfeitures	-	-	-	-	471,155	-	-	17,090	488,245
Use of money and property	66,029	29,073	10,305	10,924	-	851	3,965	11,779	132,926
Contributions from private sources	-	-	950	-	-	-	-	-	950
Other revenues	3,070	814	25	-	131	-	3,285	1,660	8,985
Total revenues	<u>2,257,310</u>	<u>1,336,885</u>	<u>866,871</u>	<u>626,870</u>	<u>472,371</u>	<u>333,599</u>	<u>381,994</u>	<u>721,667</u>	<u>6,997,567</u>
EXPENDITURES									
Current:									
General government:									
Legislative	127,105	-	-	-	-	-	-	-	127,105
Judicial	258,943	-	-	-	491,780	-	-	540	751,263
Elections	44,817	-	-	-	-	-	-	-	44,817
Finance and administrative	309,928	-	-	-	-	-	-	-	309,928
Other general government	237,508	-	-	-	-	-	-	302,246	539,754

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OFFICE OF COMMUNITY SERVICES	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Public safety	195,105	-	-	-	-	-	-	89,220	284,325
Public works	430	1,823,835	-	741,893	-	-	-	30,888	2,597,046
Health and welfare	2,850	-	-	-	-	336,551	351,211	-	690,612
Culture and recreation	-	-	596,798	-	-	-	-	-	596,798
Economic development and assistance	58,393	-	-	-	-	-	-	-	58,393
Conservation	7,000	-	-	-	-	-	-	-	7,000
Debt service	-	-	194,038	-	-	-	-	-	194,038
Capital outlay	147,636	-	105,736	-	-	-	39,561	143,645	436,578
Total expenditures	<u>1,389,715</u>	<u>1,823,835</u>	<u>896,572</u>	<u>741,893</u>	<u>491,780</u>	<u>336,551</u>	<u>390,772</u>	<u>566,539</u>	<u>6,637,657</u>
Excess (deficiency) of revenues over expenditures	<u>867,595</u>	<u>(486,950)</u>	<u>(29,701)</u>	<u>(115,023)</u>	<u>(19,409)</u>	<u>(2,952)</u>	<u>(8,778)</u>	<u>155,128</u>	<u>359,910</u>
OTHER FINANCING SOURCES (USES)									
Proceeds from issuance of bonds	700,000	-	-	-	-	-	-	-	700,000
Operating transfers in	-	400,000	-	-	-	-	-	27,942	427,942
Operating transfers out	(427,942)	-	-	-	-	-	-	-	(427,942)
Net increase (decrease) in the fair value of investments	51,380	-	-	27,164	-	-	-	-	78,544
Proceeds from insurance recovery	-	-	-	-	-	-	-	39,486	39,486
Sale of capital assets	-	-	50	-	-	-	2,592	13,932	16,574
Total other financing sources (uses)	<u>323,438</u>	<u>400,000</u>	<u>50</u>	<u>27,164</u>	<u>-</u>	<u>-</u>	<u>2,592</u>	<u>81,360</u>	<u>834,604</u>
Net change in fund balances	<u>1,191,033</u>	<u>(86,950)</u>	<u>(29,651)</u>	<u>(87,859)</u>	<u>(19,409)</u>	<u>(2,952)</u>	<u>(6,186)</u>	<u>236,488</u>	<u>1,194,514</u>
Fund balances at beginning of year, restated	5,328,136	875,033	1,650,141	1,044,874	96,116	45,086	277,345	1,266,572	10,583,303
Fund balances at end of year	<u>\$ 6,519,169</u>	<u>\$ 788,083</u>	<u>\$ 1,620,490</u>	<u>\$ 957,015</u>	<u>\$ 76,707</u>	<u>\$ 42,134</u>	<u>\$ 271,159</u>	<u>\$ 1,503,060</u>	<u>\$ 11,777,817</u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balances - total governmental funds	\$ 1,194,514
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	436,578
Depreciation	(602,765)
Gain (loss) on disposal of assets	(3,332)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Current year deferred inflows	208,951
Prior year deferred inflows	(149,883)
<p>Governmental funds report the issuance of long-term debt as an other source. However, in the government-wide financial statements, proceeds from the issuance of long-term debt is not treated as an other source but instead increases long-term debt on the Statement of Net Position.</p>	
	(700,000)
<p>Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position</p>	
	170,000
<p>Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.</p>	
Pension expense	(181,538)
Nonemployer contributions	165,128
Change in net position of governmental activities	<u>\$ 537,653</u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Claiborne Parish Police Jury is the parish governing authority governed by an elected board referred to as the "police jury" (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by ten police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2024. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Claiborne Parish, established by act of the Louisiana Legislature in 1828, is located in the northwest part of the state and occupies 755 square miles of land with a population of 17,195 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury has approximately 40 full-time and part-time employees (3 in the central office, 12 in the office of community services, 10 in the library, 2 in homeland security and emergency preparedness, and 15 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 727 miles of parish roads, comprised of 568 miles of asphalt and 159 miles of gravel.

Reporting Entity

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

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

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

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Component Units:	Fiscal Year End	Criteria Used
Claiborne Parish:		
Assessor	December 31	2 & 3
Clerk of Court	June 30	2 & 3
Sheriff	June 30	2 & 3
Economic Development Board	December 31	1 & 3
Library	December 31	1 & 3
911 Emergency Communications District	June 30	1 & 3
Tourist Commission	December 31	1 & 3
Watershed District	December 31	1 & 3
Second Judicial District Criminal Court	December 31	3
North Claiborne Hospital Service District No. 1	June 30	1 & 3
Claiborne Parish Hospital Service District No. 3	June 30	1 & 3
Wards 2 and 3 Recreation Districts	June 30	1 & 3
Claiborne Parish Fire Protection District No. 3	December 31	1 & 3
Claiborne Parish Fire Protection District No. 4	December 31	1 & 3
South Claiborne Fire Protection District No. 5	December 31	1 & 3
Lisbon Fire Protection District No. 6	December 31	1 & 3
Evergreen Fire Protection District	December 31	1 & 3
Pinehill Water System	December 31	1 & 3

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

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

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Basis of Presentation

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

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

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

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered sixty days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities which are recognized when due.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

- The proprietary fund statements include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows. Each statement has a column for each major enterprise fund. The police jury does not have any nonmajor proprietary funds or internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting in order to make a determination of net income, financial position, and cash flows. The police jury does not currently have any proprietary funds.

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

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

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

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

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

The Parish Road Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, a specific parish wide ad valorem tax, state revenue sharing funds, and operating transfers from the General Fund.

The Library Maintenance Fund is funded by ad valorem taxes and state revenue sharing funds and is used for the general operations of the parish library system. The library was established by the parish governing authority under the provisions of Louisiana Revised Statute 25:211 to provide citizens of the parish access to library materials, books, magazines, reports, and films. The library is governed by a board of control, which is appointed by the parish police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without pay.

The Sales Tax Fund is funded by a one percent sales and use tax collected throughout the parish. The tax expired September 30, 2016 but was renewed by voters for ten years. The fund is used to construct, maintain, and operate facilities for the collection and disposal of solid waste. Any surplus remaining in the fund can be used for the purchase of materials for surfacing and maintaining roads within the parish.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

The Criminal Court Fund accounts for Claiborne, Bienville, and Jackson Parishes' fines and forfeitures imposed by the Second Judicial District Court, as provided by Louisiana Revised Statute 15:571.11(c)(3). Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute further provides that one-half of the surplus remaining in the fund at December 31 of each year be transferred to the general funds of the parishes of the district in the same proportion as the revenues in the single account or fund were produced from the parishes.

The Section 8 Fund accounts for the operations of the lower income housing assistance program whose purpose is to aid very low-income families in obtaining decent, safe, and sanitary rental housing. Funding is provided by the United States Department of Housing and Urban Development.

The Office of Community Services was created by the police jury on June 5, 1986. The office is responsible for providing aid and assistance to residents of the parish, primarily the poor, needy, elderly, and unemployed. Funding for the various programs is provided by grants from federal and state agencies, the police jury's General Fund, and donations from the public. The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. Supplementary schedules report the transactions of the various programs administered by the Office of Community Services.

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

Cash and Investments

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

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

Receivables and Payables

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Claiborne Parish Sheriff bills and collects the police jury’s property taxes using the assessed value determined by the assessor of Claiborne Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2020, taxes of 24.15 mills were levied on property with assessed valuations totaling \$150,482,686 as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General alimony:			
Outside municipalities	4.35	3.83	Indefinite
Inside municipalities	2.17	1.94	Indefinite
Building maintenance	2.71	2.77	2024
Library maintenance	5.44	6.19	2035
Roads	7.22	7.33	2027
Equipment	2.06	2.09	2027

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

On October 22, 2011, voters approved a renewal of the library tax for 5.44 mills beginning 2016 and ending in 2035. On October 19, 2013, voters approved a renewal of the building maintenance tax for 2.71 mills beginning 2015 and ending in 2024. On January 11, 2017, voters approved a renewal of the parish roads and equipment taxes, with a slight increase, for 7.22 and 2.06 mills, respectively, beginning 2018 and ending in 2027.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The following are the principal taxpayers for the parish and their 2020 assessed valuation (amounts expressed in thousands):

	Assessed Valuation	Percent of Total Assessed Valuation
Gulf Crossing Pipeline Company	\$ 11,159	7.42%
Claiborne Electric Coop.	4,352	2.89%
Texas Gas Transmission Co.	4,616	3.07%
Midcontinent Express	4,549	3.02%
Mid-Valley Pipeline Company	3,533	2.35%
Urban Oil & Gas Group, LLC	3,392	2.25%
XTO Energy	3,378	2.24%
Midcontinent Express	3,131	2.08%
ETC Texas Pipeline	2,798	1.86%
Grizzly Energy, LLC	2,357	1.57%
Total	\$ 43,265	28.75%

On July 25, 2006, voters of the parish renewed a one percent sales tax for the collection and disposal of solid waste and maintenance and acquisition of necessary land, facilities, and equipment related thereto and for materials for surfacing and maintaining roads within the parish. The tax was for a period of ten years, has been renewed, and will expire on September 30, 2026. By an agreement between the police jury and the Claiborne Parish School Board, the school board serves as the collection agent for the sales tax. The school board receives three percent of all taxes collected in return for its services as the police jury's collection agent.

Under current state law, the State is not allowed to add any new DOTD maintained roads to its road system without the parish accepting matching mileage of an existing DOTD road into its system. When the new truck by-pass was completed in the fall of 2010, the Claiborne Parish Police Jury was required to accept Highway 807 into the parish road system to meet this requirement since the bypass was a new DOTD maintained road.

Inventories and Prepaid Items

Inventories consisting of office supplies and water and sewer plant supplies held for consumption are valued using the average cost method. The consumption method is used for financial reporting. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Restricted assets represent primarily cash and investments held separately and restricted according to bond indenture agreements.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level; fixed assets of enterprise funds are reported in the respective funds. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The police jury's capitalization threshold is \$5,000. The library capitalization threshold is \$1,000. The office of community services and office of homeland security and emergency preparedness maintain a threshold of \$500 or more for capitalizing assets. For reporting purposes, the police jury defines capital assets as follows:

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

Compensated absences

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

Employees of the Claiborne Parish Police Jury earn from 5 to 20 days of vacation leave each year depending on length of service. All employees earn 10 days of sick leave each year. Employees may accumulate and carry forward a maximum of 26 weeks (1,040 hours) of vacation leave. Upon retirement or separation from employment, employees are paid for accrued and unused vacation leave at their then current rate of pay. Sick leave may be accumulated and carried forward without limitation. However, employees will not be paid for accumulated sick leave upon retirement or separation from employment.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Employees of the Office of Community Services earn from 12 to 18 days of vacation leave each year, depending on length of service. Employees may accumulate and carry forward a maximum of 37.5 days (300 hours). Upon retirement or termination of employment, employees are paid for accumulated and unused vacation leave at their then current rate of pay. Employees also earn sick leave of 12 to 18 days per year, depending on length of service. Employees can accumulate and carry forward a maximum of 30 days (240 hours). Employees are not paid for accumulated sick leave upon retirement or termination of employment.

Employees of the Claiborne Parish Library earn from 15 to 30 days of vacation leave each year, depending upon length of service with the library. Vacation leave does not accumulate. Employees earn 13 days of sick leave each year, which may be accumulated and carried forward without limitation. Employees are not compensated for accumulated sick leave upon termination of employment. However, upon retirement any accumulated sick leave may be credited toward service time for determining retirement benefits.

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

Long-Term Obligations

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:

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

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

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

Net investment in capital assets - Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

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

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reconciliation of Government-wide and Fund Financial Statements

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

Use of estimates

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

NOTE 2 - BUDGET VARIANCES

The following presents a summary of major funds' budget variances for the year ended December 31, 2020:

Fund	Revenues and Other Sources (Uses)			Expenditures and Other Sources (Uses)		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 2,521,500	\$ 3,065,788	\$ 544,288	\$ 2,511,800	\$ 1,874,755	\$ 637,045
Parish Road	2,125,200	1,736,885	(388,315)	1,873,700	1,823,835	49,865
Library	892,100	866,921	(25,179)	891,550	896,572	(5,022)
Sales Tax	615,400	654,034	38,634	742,800	741,893	907
Total	<u>\$ 6,154,200</u>	<u>\$ 6,323,628</u>	<u>\$ 169,428</u>	<u>\$ 6,019,850</u>	<u>\$ 5,337,055</u>	<u>\$ 682,795</u>

NOTE 3 - CASH AND CASH EQUIVALENTS

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

At December 31, 2020, the police jury has cash and cash equivalents (book balances) totaling, \$8,403,801 as follows:

Demand deposits	\$ 5,852,158
Time deposits	2,551,593
Cash on hand	<u>50</u>
Total	<u>\$ 8,403,801</u>

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

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2020, \$6,914,773 of the police jury's bank balances of \$8,395,132 were exposed to custodial credit risk as follows:

Insured by FDIC	<u>\$ 1,480,359</u>
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	<u>6,914,773</u>
Total balances exposed to custodial credit risk	<u>6,914,773</u>
Total bank balances	<u>\$ 8,395,132</u>

NOTE 4 - INVESTMENTS

Louisiana Asset Management Pool

Investments held at December 31, 2020, include \$29,903 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

Effective August 1, 2001, LAMP'S investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP'S Investment Guidelines were amended to allow the limited investment in A-1 or A-1 + commercial paper.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 4 – INVESTMENTS (CONTINUED)

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools: (1) credit risk: LAMP is rated AAAm by Standard & Poor’s; (2) custodial credit risk: LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required; (3) concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement; (4) interest rate risk: GASB No. 40 excludes 2a7-like investment pools from this disclosure requirement; and, (5) foreign currency risk: Not applicable to 2a7-like pools.

The dollar-weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Edward Jones

Investments held at December 31, 2020, include \$1,079,213 in three Edward Jones Corporate Accounts. The General Fund, Sales Tax Fund and Office of Community Services’ Regular Fund have accounts with balances of \$583,934, \$330,088 and \$165,191, respectively.

Each account includes a cash, money market account, certificate of deposit, investments in government and agency securities, and asset and mortgage-backed securities.

The following is a summary of investment accounts:

	Edward Jones							
	Total	LAMP	Cash	Money Market	Certificates of Deposit	Government and Agency Securities	Asset and Mortgage Backed Securities	Total Edward Jones
Fund:								
General	\$ 592,072	\$ 8,138	\$ -	\$ 40,434	\$ 209,202	\$ 321,568	\$ 12,730	\$ 583,934
Road	3,237	3,237	-	-	-	-	-	-
Sales Tax	335,810	5,722	-	39,334	80,605	210,149	-	330,088
Equipment	6,152	6,152	-	-	-	-	-	-
Library	6,654	6,654	-	-	-	-	-	-
OCS-Regular	165,191	-	23	4,156	-	161,012	-	165,191
Total	\$ 1,109,116	\$ 29,903	\$ 23	\$ 83,924	\$ 289,807	\$ 692,729	\$ 12,730	\$ 1,079,213

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 5 - RECEIVABLES

The receivables of \$3,027,488, at December 31, 2020, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 392,784	\$ -	\$ 296,351	\$ -	\$ 77,673	\$ 766,808
Parish Road	806,278	-	46,905	-	9,237	862,420
Library Maintenance	681,045	-	82,101	-	-	763,146
Sales Tax	59,467	-	-	-	-	59,467
Criminal Court	-	-	-	2,124	-	2,124
Office of Community Services	-	20,217	-	-	-	20,217
Other governmental	534,586	-	17,590	750	380	553,306
Total	<u>\$ 2,474,160</u>	<u>\$ 20,217</u>	<u>\$ 442,947</u>	<u>\$ 2,874</u>	<u>\$ 87,290</u>	<u>\$ 3,027,488</u>

NOTE 6 - INTERFUND TRANSFERS AND BALANCES

The following details interfund transfers for the year ended December 31, 2020:

		Transfers out
		General
Transfers in	Parish Road	\$ 400,000
	OHSEP	27,942
	Total	<u>\$ 427,942</u>

The Road Fund and Office of Homeland Security and Emergency Preparedness Fund (OHSEP) receive annual appropriations from the General Fund.

The following details interfund balances as of December 31, 2020:

		Due to		
		Nonmajor		Total
		General	Funds	
Due from	Parish Road	\$ 7,198	\$ -	\$ 7,198
	Library	456	-	456
	Nonmajor Funds	100	46,063	46,163
	Total	<u>\$ 7,754</u>	<u>\$ 46,063</u>	<u>\$ 53,817</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 7 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land:				
Police Jury	\$ 220,570	\$ -	\$ -	\$ 220,570
Library	3,580	84,951	-	88,531
Office of Community Services	30,000	-	-	30,000
Adjudicated property	19,700	-	-	19,700
Construction in progress	-	147,636	-	147,636
Total capital assets not being depreciated	<u>273,850</u>	<u>232,587</u>	<u>-</u>	<u>506,437</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	15,517,189	-	-	15,517,189
Bridges	1,912,668	-	-	1,912,668
Land improvements	15,995	-	-	15,995
Buildings and improvements	2,883,666	-	-	2,883,666
Public works heavy equipment	3,635,095	143,645	(39,113)	3,739,627
Public works other equipment	84,175	-	-	84,175
Vehicles	510,412	-	-	510,412
Office furniture and equipment	250,841	-	-	250,841
Office of Emergency Preparedness and Homeland Security:				
Vehicles	49,124	-	-	49,124
Office furniture and equipment	51,411	-	-	51,411
Buildings and improvements	13,205	-	-	13,205
Office of Community Services:				
Land improvements	7,800	-	-	7,800
Buildings and improvements	62,156	-	-	62,156
Vehicles	277,115	39,561	(37,293)	279,383
Office furniture and equipment	116,327	-	-	116,327
Library:				
Building and improvements	3,855,244	-	-	3,855,244
Vehicle	-	-	-	-
Furniture and equipment	304,635	-	-	304,635
Books and videos	699,878	20,785	(24,204)	696,459
Total capital assets being depreciated	<u>30,246,936</u>	<u>203,991</u>	<u>(100,610)</u>	<u>30,350,317</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 7 - CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	14,599,115	37,184	-	14,636,299
Bridges	1,440,502	36,674	-	1,477,176
Land improvements	15,995	-	-	15,995
Buildings and improvements	1,868,070	58,711	-	1,926,781
Public works heavy equipment	2,622,475	207,903	(35,781)	2,794,597
Public works other equipment	65,327	5,404	-	70,731
Vehicles	230,144	61,571	-	291,715
Office furniture and equipment	226,387	22,382	-	248,769
Office of Emergency Preparedness and Homeland Security:				
Vehicles	49,124	-	-	49,124
Office furniture and equipment	50,783	302	-	51,085
Buildings and improvements	6,985	660	-	7,645
Office of Community Services:				
Land improvements	7,800	-	-	7,800
Buildings and improvements	57,150	2,072	-	59,222
Vehicles	236,628	19,670	(37,293)	219,005
Office furniture and equipment	116,324	-	-	116,324
Library:				
Building and improvements	1,019,544	99,910	-	1,119,454
Furniture and equipment	161,466	15,971	-	177,437
Books and videos	679,220	34,351	(24,204)	689,367
Total accumulated depreciation	<u>23,453,039</u>	<u>602,765</u>	<u>(97,278)</u>	<u>23,958,526</u>
Total capital assets being depreciated, net	<u>6,793,897</u>	<u>(398,774)</u>	<u>(3,332)</u>	<u>6,391,791</u>
Total capital assets, net	<u>\$ 7,067,747</u>	<u>\$ (166,187)</u>	<u>\$ (3,332)</u>	<u>\$ 6,898,228</u>

Depreciation expense for the year was charged to the following governmental functions:

General government	\$ 58,274
Public safety	14,584
Public works	357,273
Health and welfare	22,402
Culture and recreation	150,232
Total	<u>\$ 602,765</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 8 - LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance
Limited Tax Bonds, Series 2012	\$ 900,000	\$ -	\$ (170,000)	\$ 730,000
Limited Tax Bonds, Series 2020	-	700,000	-	\$ 700,000
Compensated Absences	114,779	48,000	(48,000)	114,779
Net Pension Liability (Asset)	876,255	-	(833,769)	42,486
	<u>\$ 1,891,034</u>	<u>\$ 748,000</u>	<u>\$ (1,051,769)</u>	<u>\$ 1,587,265</u>

As discussed in Note 1, upon separation from service, employees are paid for accumulated vacation leave at their then current rate of pay. Historically, the adjustment to compensated absences is for the purpose of adjusting the ending liability for ending pay rates and limitations on the hours for which an employee will be paid.

On August 1, 2012, the Library issued \$2,000,000 Limited Tax Bonds for the remodeling and expansion of the Homer branch of the library. Principal is due in annual installments of \$145,000 to \$190,000 plus interest from 1.1% to 3.35% payable semiannually. The bonds mature March 1, 2024.

On September 22, 2020, the Police Jury issued \$700,000 Limited Tax Bonds for the reconstructing and rehabilitating a public building including equipment, fixtures and appurtenances. Principal is due in annual installments of \$60,000 to \$82,000 plus interest from 0.99% to 1.97% payable semiannually. The bonds mature March 1, 2030.

The annual requirements to amortize bonds payable at December 31, 2020, are as follows:

	Limited Tax Bonds, Series 2012		Limited Tax Bonds, Series 2020	
	Principal	Interest	Principal	Interest
2021	\$ 175,000	\$ 19,593	\$ 60,000	\$ 10,855
2022	180,000	14,665	61,000	10,535
2023	185,000	9,233	64,000	9,471
2024	190,000	3,183	66,000	8,358
2025	-	-	68,000	7,205
2026-2030	-	-	381,000	17,100
Total	<u>\$ 730,000</u>	<u>\$ 46,674</u>	<u>\$ 700,000</u>	<u>\$ 63,523</u>

The net pension liability (asset) includes the liability of the Parochial Employees' Retirement System, Registrar of Voters Retirement System and of the District Attorney's Retirement System of \$8,971, \$24,383, and \$9,132, respectively.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 9 – RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

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

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

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

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

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

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

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

Retirement benefits are generally distributed monthly at an amount equal to 3% of the employee's final average compensation multiplied by his/her years of creditable service. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

Under Plan A, members are required to contribute 9.50% of their annual covered salary with the Police Jury being required to contribute 11.50% of the annual covered payroll. 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 contribution requirements of plan members and the Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the year ended December 31, 2020 totaled \$126,067.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

GASB Statement No. 68 requires that the Police Jury accrue its proportionate share of an actuarial determined net pension liability and the related expense in the financial statements of the governmental activities. Management implemented GASB No. 68 the year it became effective. Since implementation, management has retained a professional to calculate the changes in the liability and related amounts, prepare the note to the financial statements, and prepare the required supplemental information. Effective with the 2019 financial statements, management has elected not to retain professional services or present the required supplemental information. Management has concluded that the cost of the services outweighs the benefit received. The liabilities and related amounts have been adjusted to amounts in the audit reports and valuation reports of the retirement systems. In management's opinion, any differences in financial statement amounts would be immaterial.

Registrar of Voters Employees' Retirement System of Louisiana (System)

When the Claiborne Parish Police Jury (Police Jury) is responsible for the employee salaries, the Police Jury contributes to the Registrar of Voters Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined-benefit pension plan.

Any member of the Plan who was hired prior to January 1, 2013, can retire providing he/she meets on of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 20 years of creditable service.
3. Age 60 after 10 years of creditable service.

Any member of the Plan who was hired after January 1, 2013, can retire providing he/she meets on of the following criteria:

1. Age 55 after 30 years of creditable service
2. Age 60 after 20 years of creditable service
3. Age 62 after 10 years of creditable service.

The monthly amount of the retirement allowance of any member hired before January 1, 2013, is calculated as 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the numbers of years of creditable service, not to exceed 100% of average annual compensation.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. The report may be obtained by writing to the Registrar of Voters Employees' Retirement System of Louisiana, Post Office Box 57, Jennings, Louisiana 70546, or by calling (800) 810-8515, or by visiting the System's website www.larovers.com.

Members are required to contribute 7.00% of their annual covered salary with the Police Jury being required to contribute 18.00% of the annual covered payroll. The Police Jury's contributions to the System for the year ended December 31, 2020 totaled \$2,761.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

GASB Statement No. 68 requires that the Police Jury accrue its proportionate share of an actuarial determined net pension liability and the related expense in the financial statements of the governmental activities. Management implemented GASB No. 68 the year it became effective. Since implementation, management has retained a professional to calculate the changes in the liability and related amounts, prepare the note to the financial statements, and prepare the required supplemental information. Effective with the 2019 financial statements, management has elected not to retain professional services or present the required supplemental information. Management has concluded that the cost of the services outweighs the benefit received. The liabilities and related amounts have been adjusted to amounts in the audit reports and valuation reports of the retirement systems. In management's opinion, any differences in financial statement amounts would be immaterial.

District Attorney's Retirement System of Louisiana (System)

The Claiborne Parish Police Jury (Police Jury) contributes to the District Attorneys' Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined-benefit pension plan.

Any members of the Plan who were hired prior to July 1, 1990, and who have not elected to be covered under the new provisions, are eligible to receive normal retirement benefits if one of the following criteria is met:

1. Any age after 30 years of creditable service.
2. Age 55 after 23 years of creditable service.
3. Age 60 after 18 years of creditable service.
4. Age 62 after 10 years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to three percent of the employee's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified mounts. Retirement benefits may not exceed 100% of final average compensation.

Any member of the Plan who was hired after July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefits if one of the following criteria is met:

1. Age 55 after 24 years of creditable service
2. Age 60 after 10 years of creditable service
3. Any age after 30 years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to 3.5% of the employee's final compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. The report may be obtained by writing to the District Attorneys' Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824, or by visiting the System's website www.ladars.org.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
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NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System) (Continued)

Members are required to contribute 8.00% of their annual covered salary with the Police Jury being required to contribute 4.00% of the annual covered payroll. Contributions to the System for the year ended December 31, 2020 totaled \$312.

GASB Statement No. 68 requires that the Police Jury accrue its proportionate share of an actuarial determined net pension liability and the related expense in the financial statements of the governmental activities. Management implemented GASB No. 68 the year it became effective. Since implementation, management has retained a professional to calculate the changes in the liability and related amounts, prepare the note to the financial statements, and prepare the required supplemental information. Effective with the 2019 financial statements, management has elected not to retain professional services or present the required supplemental information. Management has concluded that the cost of the services outweighs the benefit received. The liabilities and related amounts have been adjusted to amounts in the audit reports and valuation reports of the retirement systems. In management’s opinion, any differences in financial statement amounts would be immaterial.

NOTE 10 - POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Claiborne Parish Police Jury does not provide continuing health care or life insurance benefits for its retired employees.

NOTE 11 - RISK MANAGEMENT

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

NOTE 12 – COMMITMENTS AND CONTINGENCIES

At December 31, 2020, the police jury had one significant contract for the relocation of the Sheriff’s office. The construction contract was awarded for \$698,000 in September 2020. The remaining balance of the contract as of December 31, 2020, was \$606,990.

NOTE 13- COOPERATIVE ENDEAVOR

On October 5, 1995, the police jury entered into an agreement with the Louisiana Department of Public Safety and Corrections and the David Wade Correctional Center to provide a parish road site to store police jury equipment and to assist the department and the correctional center in maintaining their existing roads. The police jury agreed to erect an equipment yard for the storage of equipment and materials and to assist in the maintenance and construction of roads at the center when funds are available. The department and the center agreed to allow the police jury to maintain the parish road site on property owned by the center and to allow the police jury to place movable buildings at the site.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 14 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 29, 2021, the date on which the financial statements were available to be issued.

NOTE 15 – NEW ACCOUNTING STANDARDS

The following summaries of recently issued Statements include the Statements' original effective dates. In response to the COVID-19 global pandemic, GASB issued Statement Number 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which changes effective dates for Statements 83 through 93 to June 15, 2020, through December 31, 2022.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, was issued in November 2016. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This statement is not expected to affect the Police Jury's financial statements.

GASB Statement No. 84, *Fiduciary Activities*, was issued in January 2017. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. This statement was implemented during 2019.

GASB Statement No. 87, *Leases*, was issued in June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, was issued in April 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, was issued June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

**CLAIBORNE PARISH POLICE JURY
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**NOTES TO FINANCIAL STATEMENTS
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NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, was issued August 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

GASB Statement No. 92, *Omnibus 2020*, was issued January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports, reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan, the applicability of Statements No. 73, 74, and 84, measurement of liabilities (and assets, if any) related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, and terminology used to refer to derivative instruments.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued March 2020. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated).

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective as follows: The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 98, *The Annual Comprehensive Financial Report was issued October 2021*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Earlier application is encouraged.

NOTE 16 – PRIOR PERIOD ADJUSTMENT

Management adjusted interfund balances to correct errors and eliminate amounts that will not be paid. The table below presents a summary of the adjustments to fund balances as of December 31, 2019:

	<u>Prior Year</u>	<u>Adjustment</u>	<u>Restated</u>
OCS - Regular	\$ 252,180	\$ (17,709)	\$ 234,471
OCS - Energy	43,026	(30,619)	12,407
OCS - FEMA	2,900	121	3,021
OCS - Transportation	(157,101)	168,038	10,937
OCS - Fares	117,785	(101,276)	16,509
Totals	<u>\$ 258,790</u>	<u>\$ 18,555</u>	<u>\$ 277,345</u>

Required Supplemental Information (Part II)

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Preliminary budgets for the ensuing year are prepared by the Secretary-Treasurer prior to November of each year. During November and December, the Finance Committee reviews the proposed budgets and makes changes as they deem appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal during December. During the first week of January prior to its regular meeting, the Police Jury holds a public hearing on the proposed budget in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the Police Jury's regular January meeting (prior to the 15th), and a notice is published in the official journal.

During the year, the Police Jury receives monthly budget comparison statements which are used as a tool to control the operations of the Parish. The Secretary-Treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations are differing materially from those anticipated in the original budget. The Jury, during a regular meeting, reviews the proposed amendments, makes changes as necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the function level. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

For the year ended December 31, 2020, modified accrual-based budgets were adopted for the General Fund and all special revenue funds except for the Section 8 Fund which has a grant budget. Budgetary comparison schedules include the original budgets and all subsequent amendments.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 459,000	\$ 459,000	\$ 437,849	\$ (21,151)
Other taxes, penalties and interest	6,700	6,700	6,291	(409)
Licenses and permits	100,500	100,500	108,592	8,092
Intergovernmental	1,875,500	1,893,100	1,692,577	(200,523)
Use of money and property	60,000	60,000	66,029	6,029
Other revenues	2,200	2,200	3,070	870
Total revenues	2,503,900	2,521,500	2,314,408	(207,092)
EXPENDITURES				
Current:				
General government:				
Legislative	129,900	125,900	127,105	(1,205)
Judicial	312,200	396,200	258,943	137,257
Elections	34,800	28,500	44,817	(16,317)
Finance and administrative	322,500	320,700	309,928	10,772
Other general government	243,200	246,700	237,508	9,192
Public safety	260,300	291,200	252,203	38,997
Public works	2,500	2,500	430	2,070
Health and welfare	30,400	5,400	2,850	2,550
Economic development and assistance	61,000	59,300	58,393	907
Conservation	7,500	7,500	7,000	500
Capital outlay	-	-	147,636	(147,636)
Total expenditures	1,404,300	1,483,900	1,446,813	37,087
Excess of revenues over expenditures	1,099,600	1,037,600	867,595	(170,005)
OTHER FINANCING SOURCES (USES)				
Net increase (decrease) in fair value of investments	-	-	51,380	51,380
Proceeds from issuance of bonds	-	-	700,000	700,000
Operating transfers out	(927,900)	(1,027,900)	(427,942)	599,958
Total other financing sources (uses)	(927,900)	(1,027,900)	323,438	1,351,338
Net change in fund balance	171,700	9,700	1,191,033	1,181,333
Fund balance at beginning of year	5,289,619	5,253,110	5,328,136	75,026
Fund balance at end of year	\$ 5,461,319	\$ 5,262,810	\$ 6,519,169	\$ 1,256,359

Note: Intergovernmental revenues and public safety expenditures include \$57,098 in homeland security grant revenues and expenditures that are presented in the Office of Homeland Security and Emergency Preparedness Special Revenue Fund in the upper level fund financial statements.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - PARISH ROAD SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 1,000,000	\$ 900,000	\$ 894,686	\$ (5,314)
Other taxes, penalties and interest	3,000	5,000	5,155	155
Licenses and permits	6,500	6,500	6,500	-
Intergovernmental	454,000	782,900	400,657	(382,243)
Use of money and property	24,600	29,300	29,073	(227)
Other revenues	2,000	1,500	814	(686)
Total revenues	<u>1,490,100</u>	<u>1,725,200</u>	<u>1,336,885</u>	<u>(388,315)</u>
EXPENDITURES				
Current:				
Public works	2,215,100	1,873,700	1,823,835	49,865
Capital outlay	175,000	-	-	-
Total expenditures	<u>2,390,100</u>	<u>1,873,700</u>	<u>1,823,835</u>	<u>49,865</u>
Excess (deficiency) of revenues over expenditures	<u>(900,000)</u>	<u>(148,500)</u>	<u>(486,950)</u>	<u>(338,450)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	<u>900,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Net change in fund balance	-	251,500	(86,950)	(338,450)
Fund balance at beginning of year	878,818	818,234	875,033	56,799
Fund balance at end of year	<u>\$ 878,818</u>	<u>\$ 1,069,734</u>	<u>\$ 788,083</u>	<u>\$ (281,651)</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - LIBRARY MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 785,000	\$ 785,000	\$ 755,618	\$ (29,382)
Intergovernmental	17,000	25,500	91,680	66,180
Fees, charges, and commissions	11,000	8,200	8,293	93
Use of money and property	9,600	10,400	10,305	(95)
Contributions from private sources	800	(7,200)	950	8,150
Other revenues	60,200	70,100	25	(70,075)
Total revenues	<u>883,600</u>	<u>892,000</u>	<u>866,871</u>	<u>(25,129)</u>
EXPENDITURES				
Current:				
Culture and recreation	567,900	577,250	596,798	(19,548)
Debt service	194,100	194,100	194,038	62
Capital outlay	268,300	120,200	105,736	14,464
Total expenditures	<u>1,030,300</u>	<u>891,550</u>	<u>896,572</u>	<u>(5,022)</u>
Excess of revenues over expenditures	<u>(146,700)</u>	<u>450</u>	<u>(29,701)</u>	<u>(30,151)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	<u>200.00</u>	<u>100</u>	<u>50</u>	<u>(50)</u>
Net change in fund balance	(146,500)	550	(29,651)	(30,201)
Fund balance at beginning of year	1,577,444	1,602,802	1,650,141	47,339
Fund balance at end of year	<u>\$ 1,430,944</u>	<u>\$ 1,603,352</u>	<u>\$ 1,620,490</u>	<u>\$ 17,138</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SALES TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Sales and use taxes	\$ 557,000	\$ 605,600	\$ 615,946	\$ 10,346
Use of money and property	12,700	9,800	10,924	1,124
Total revenues	<u>569,700</u>	<u>615,400</u>	<u>626,870</u>	<u>11,470</u>
EXPENDITURES				
Public works	<u>723,500</u>	<u>742,800</u>	<u>741,893</u>	<u>907</u>
Excess of revenues over expenditures	<u>(153,800)</u>	<u>(127,400)</u>	<u>(115,023)</u>	<u>12,377</u>
OTHER FINANCING SOURCES (USES)				
Net increase (decrease) in the fair value of investments	<u>-</u>	<u>-</u>	<u>27,164</u>	<u>27,164</u>
Net change in fund balance	(153,800)	(127,400)	(87,859)	39,541
Fund balance at beginning of year	<u>1,002,362</u>	<u>1,012,531</u>	<u>1,044,874</u>	<u>32,343</u>
Fund balance at end of year	<u>\$ 848,562</u>	<u>\$ 885,131</u>	<u>\$ 957,015</u>	<u>\$ 71,884</u>

Other Supplemental Schedules

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS –
COMBINING SCHEDULES – FUND DESCRIPTIONS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

Building Maintenance Fund

The Building Maintenance Fund is funded by an ad valorem tax and state revenue sharing funds and is used to maintain and repair parish-owned buildings, such as the courthouse, jail, police jury office, clerk of court's office, office of community services, and the parish health unit.

Equipment Fund

The purpose of the Equipment Fund is to purchase new equipment to maintain and construct parish roads. It is funded by ad valorem taxes and interest earned on investments.

Juvenile Maintenance Fund

The Juvenile Maintenance Fund accounts for court costs of ten dollars per case, assessed by the district court in criminal cases. The funds are used for the housing of juvenile offenders.

Office of Homeland Security and Emergency Preparedness

The Office of Homeland Security and Emergency Preparedness accounts for grants from the federal, state and local governments and operating transfers from the police jury's General Fund. Funding is used to assess the parish's emergency response and security needs and then implement programs and acquire equipment to address those needs.

Witness Fee Fund

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2020**

	BUILDING		JUVENILE		OFFICE OF HOMELAND SECURITY AND EMERGENCY	WITNESS	TOTAL
ASSETS	MAINTENANCE	EQUIPMENT	MAINTENANCE	PREPAREDNESS	FEE		
Cash and cash equivalents	\$ 193,985	\$ 392,390	\$ 185,084	\$ 212,832	\$ 40,279		\$ 1,024,570
Investments	-	6,152	-	-	-		6,152
Receivables	314,715	237,461	750	-	380		553,306
Due from other funds	18,812	-	-	-	-		18,812
TOTAL ASSETS	\$ 527,512	\$ 636,003	\$ 185,834	\$ 212,832	\$ 40,659		\$ 1,602,840
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
Liabilities:							
Accounts, salaries and other payables	\$ 21,285	\$ 10,052	\$ -	\$ -	\$ 50		\$ 31,387
Due to other funds	-	-	18,813	-	100		18,913
Total liabilities	21,285	10,052	18,813	-	150		50,300
Deferred inflows:							
Unavailable ad valorem tax revenue	28,199	21,281	-	-	-		49,480
Restricted fund balances	478,028	604,670	167,021	212,832	40,509		1,503,060
Unassigned fund balances	-	-	-	-	-		-
Total fund balances	478,028	604,670	167,021	212,832	40,509		1,503,060
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 527,512	\$ 636,003	\$ 185,834	\$ 212,832	\$ 40,659		\$ 1,602,840

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	TOTAL
REVENUES						
Ad valorem taxes	\$ 338,105	\$ 255,105	\$ -	\$ -	\$ -	\$ 593,210
Intergovernmental revenues:						
Federal funds	6,961	-	-	57,098	-	64,059
State funds:						
State funds - state revenue sharing	14,398	10,857	-	-	-	25,255
Fees, charges, and commissions	-	-	-	-	8,614	8,614
Fines and forfeitures	-	-	17,090	-	-	17,090
Use of money and property	2,547	4,902	1,582	2,424	324	11,779
Other revenues	-	-	-	1,660	-	1,660
Total revenues	<u>362,011</u>	<u>270,864</u>	<u>18,672</u>	<u>61,182</u>	<u>8,938</u>	<u>721,667</u>
EXPENDITURES						
Current:						
General government:						
Judicial	240	-	-	-	300	540
Other general government	302,246	-	-	-	-	302,246
Public safety	-	-	-	89,220	-	89,220
Public works	-	30,888	-	-	-	30,888
Capital outlay	-	143,645	-	-	-	143,645
Total expenditures	<u>302,486</u>	<u>174,533</u>	<u>-</u>	<u>89,220</u>	<u>300</u>	<u>566,539</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>59,525</u>	<u>96,331</u>	<u>18,672</u>	<u>(28,038)</u>	<u>8,638</u>	<u>155,128</u>
OTHER FINANCING SOURCES						
Operating transfers in	-	-	-	27,942	-	27,942
Proceeds from insurance recovery	39,367	119	-	-	-	39,486
Sale of capital assets	-	13,932	-	-	-	13,932
Total other financing sources	<u>39,367</u>	<u>14,051</u>	<u>-</u>	<u>27,942</u>	<u>-</u>	<u>81,360</u>
Net change in fund balances	98,892	110,382	18,672	(96)	8,638	236,488
Fund balances at beginning of year	379,136	494,288	148,349	212,928	31,871	1,266,572
Fund balances at end of year	<u>\$ 478,028</u>	<u>\$ 604,670</u>	<u>\$ 167,021</u>	<u>\$ 212,832</u>	<u>\$ 40,509</u>	<u>\$ 1,503,060</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**COMBINING SCHEDULES – OFFICE OF COMMUNITY SERVICES –
PROGRAM DESCRIPTIONS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. The following schedules report the transactions of the various programs administered by the Office of Community Services. A description of the various programs is as follows:

Regular Fund

The Regular program accounts for the general operations of the Office of Community Services. The Community Services Block Grant (CSBG) provided by the United States Department of Health and Human Services through the Louisiana Department of Labor and is allocated to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community. Additional funding is provided by local grants, interest earned on deposits, operating transfers from other programs and other miscellaneous local revenue sources.

Energy Fund

The Energy Fund accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services and are allocated to assist low-income households with energy related utility fees.

Federal Emergency Management Act Fund

The Federal Emergency Management Act (FEMA) Fund accounts for funds provided by the Federal Emergency Management Agency. The purpose of the program is to supplement and expand ongoing efforts to provide shelter, food, and supportive services for needy families and individuals.

Transportation Fund

The Transportation Fund accounts for Section 18 funds which are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development and are used to provide financial assistance for public transportation in non-urbanized areas.

Fares Fund

The Fares Fund accounts for fees received in the transportation program. Revenues of the fund are used to provide the local matching share for purchases of transportation vehicles.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2020**

ASSETS	REGULAR	ENERGY	FEMA	TRANS- PORTATION	FARES	TOTAL
Cash and equivalents	\$ 43,933	\$ 12,228	\$ 2	\$ 27,593	\$ 10,509	\$ 94,265
Investments	165,191	-	-	-	-	165,191
Receivables	11,332	-	-	8,885	-	20,217
Due from other funds	27,251	-	-	-	-	27,251
Other assets	-	-	-	-	5,873	5,873
TOTAL ASSETS	\$ 247,707	\$ 12,228	\$ 2	\$ 36,478	\$ 16,382	\$ 312,797
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts, salaries, and other payables	\$ 14,383	\$ -	\$ -	\$ -	\$ -	\$ 14,383
Due to other funds	2,199	7,571	-	17,485	-	27,255
Total liabilities	16,582	7,571	-	17,485	-	41,638
Fund balances - restricted	231,125	4,657	2	18,993	16,382	271,159
Total fund balances	231,125	4,657	2	18,993	16,382	271,159
TOTAL LIABILITIES AND FUND BALANCES	\$ 247,707	\$ 12,228	\$ 2	\$ 36,478	\$ 16,382	\$ 312,797

Interfund balances which are internal to the Office of Community Services have been eliminated in the upper level financial statements.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	REGULAR	ENERGY	FEMA	TRANS- PORTATION	FARES	TOTAL
Revenues:						
Intergovernmental revenues:						
Federal funds	\$ 77,694	\$ 40,773	\$ -	\$ 193,591	\$ -	\$ 312,058
State Funds:						
Other State Funds	-	-	-	1,068	-	1,068
Fees, charges, and commissions	-	-	-	56,996	4,622	61,618
Use of money and property	3,676	12	-	160	117	3,965
Other revenues	3,230	55	-	-	-	3,285
Total revenues	<u>84,600</u>	<u>40,840</u>	<u>-</u>	<u>251,815</u>	<u>4,739</u>	<u>381,994</u>
Expenditures:						
Current - health and welfare	87,946	48,590	3,019	211,656	-	351,211
Capital outlay	-	-	-	34,695	4,866	39,561
Total expenditures	<u>87,946</u>	<u>48,590</u>	<u>3,019</u>	<u>246,351</u>	<u>4,866</u>	<u>390,772</u>
Excess (deficiency) of revenues over expenditures	<u>(3,346)</u>	<u>(7,750)</u>	<u>(3,019)</u>	<u>5,464</u>	<u>(127)</u>	<u>(8,778)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	2,592	-	2,592
Net change in fund balances	(3,346)	(7,750)	(3,019)	8,056	(127)	(6,186)
Fund balances (deficits) at beginning of year, restated	<u>234,471</u>	<u>12,407</u>	<u>3,021</u>	<u>10,937</u>	<u>16,509</u>	<u>277,345</u>
Fund balances (deficits) at end of year	<u>\$ 231,125</u>	<u>\$ 4,657</u>	<u>\$ 2</u>	<u>\$ 18,993</u>	<u>\$ 16,382</u>	<u>\$ 271,159</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2020**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

	<u>District</u>	<u>Compensation</u>
James Laird	One	\$ 7,200
Mark Furlow	Two	7,200
Kevin Gray	Three	7,200
Mary McDaniel	Four	7,200
Paul Cook	Five	7,200
Scott Davidson, President	Six	8,400
Joseph Merritt	Seven	7,200
Tommy Sanders	Eight	7,200
Carrell "Gil" Dowies	Nine	7,200
Willie Young, Sr.	Ten	7,200
Total		<u>\$ 73,200</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2020**

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

Dwayne Woodard, Secretary-Treasurer

Salary:

Secretary - Treasurer salary	\$ 96,473
Criminal Court admin fee	1,800

Benefits:

Health insurance	8,744
Retirement - PERS	11,601
Medicare	1,356
Workers' Compensation Insurance	160
Uniforms	52

Reimbursements:

Cell phone	600
Mileage	259

Other items paid on behalf of Secretary-Treasurer:

Dues	1,172
Registration fees	300

\$ 122,517

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
FOR THE YEAR ENDED DECEMBER 31, 2020**

	First Six Month Period Ended 06/30/20	Second Six Month Period Ended 12/31/20
Receipts From:		
Bienville Parish Sheriff - Criminal Court Fund - Criminal Fines - Other	\$ 197,412	\$ 178,333
Bienville Parish Sheriff - Criminal Court Fund - Asset Forfeitures	-	9,957
Claiborne Parish Sheriff - Criminal Court Fund - Criminal Fines - Other	37,147	34,041
Claiborne Parish Sheriff - Witness Fee Fund - Costs/Fees	4,844	3,771
Claiborne Parish Sheriff - Juvenile Maint Fund - Cost/Fees	9,640	7,450
Jackson Parish Sheriff - Criminal Court Fund - Criminal Fines - Other	5,526	2,025
LA Department of Public Safety - Criminal Court Fund - Criminal Fines - Other	450	325
2nd JDC District Attorney - Criminal Court Fund - Asset Forfeitures	-	997
2nd JDC District Attorney - Criminal Court Fund - Bond Forfeitures	502	4,000
Town of Jonesboro - Criminal Court Fund - Asset Forfeitures	450	-
Total Receipts	\$ 255,970	\$ 240,899

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
CSBG Cluster			
Department of Health and Human Services			
Passed through Louisiana Workforce Commission:			
Community Services Block Grant	93.569		\$ 34,376
Community Services Block Grant	93.569		43,318
Total Community Services Block Grant			<u>77,694</u>
Federal Transit Cluster-Cluster			
Department of Transportation			
Passed through Louisiana Department of Transportation:			
Buses and Bus Facilities Formula, Competitive, and			
Low or No Emissions Programs	20.526		<u>33,627</u>
Housing Voucher Cluster			
Department of Housing and Urban Development			
Section 8 Housing Choice Vouchers	14.871		<u>336,551</u>
Other Programs			
Department of Homeland Security			
Passed through Governor's Office of Homeland Security			
and Emergency Preparedness:			
Disaster Grants - Public Assistance			
(Presidentially Declared Disasters)	97.036		<u>19,390</u>
Homeland Security Grant Program:			
State Homeland Security Program	97.067	EMW-2019-SS-00014-S01	30,839
Emergency Management Performance Grant	97.067	EMT-2019-EP-00006-S01	26,259
Total Homeland Security Grant Program			<u>57,098</u>
Total Department of Homeland Security			<u>76,488</u>
Department of the Interior			
Payments in Lieu of Taxes	15.226		<u>27,035</u>
Department of Transportation			
Passed through Louisiana Department of Transportation:			
Formula Grants for Rural Areas	20.509	RU 18-14-21	<u>159,964</u>
United States Environmental Protection Agency			
Passed through Louisiana Department of Environmental Quality:			
State and Tribal Response Program Grants	66.817	2000503775	<u>70,000</u>
Department of Health and Human Services			
Passed through Louisiana Housing Corporation:			
Low-Income Home Energy Assistance	93.568		<u>40,773</u>
Department of the Treasury			
Passed through Louisiana Division of Administration:			
COVID-19 Coronavirus Relief Fund	21.019		<u>115,840</u>
Total Other Programs			<u>490,100</u>
Total Expenditures of Federal Awards			<u>\$ 937,972</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTES:

General

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

Basis of Accounting

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

Reconciliation to Federal Grant Revenues

Federal expenditures	\$	937,972
Section 8 expenditures		(336,551)
Section 8 revenues		<u>332,748</u>
Federal revenues	\$	<u>934,169</u>

Relationship to Federal Financial Reports

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

Federal Awards

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

Indirect Cost Rate

The Police Jury has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance, when applicable. No indirect costs were reported for 2020.

Other Reports



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

To the Honorable Members of the Police Jury
Claiborne Parish Police Jury
Homer, 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 primary government financial statements of the governmental activities, and the aggregate remaining fund information of Claiborne Parish Police Jury (the Police Jury), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated December 31, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Claiborne Parish Police Jury
Independent Auditor's Report Required by
Government Auditing Standards
December 31, 2020

Purpose of this Report

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
December 29, 2021



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

To the Honorable Members of the Police Jury
Claiborne Parish Police Jury
Homer, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Claiborne Parish Police Jury's (the Police Jury) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2020. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Police Jury's compliance.

Basis for Qualified Opinion on CFDA 14.871 Housing Choice Voucher

As described in the accompanying schedule of findings and questioned costs, the Police Jury did not comply with requirements regarding CFDA 14.871 Housing Choice Voucher as described in finding number 2020-001 for Reporting. Compliance with such requirements is necessary, in our opinion, for the Police Jury to comply with the requirements applicable to that program.

Qualified Opinion on CFDA 14.871 Housing Choice Voucher

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 14.871 Housing Choice Voucher for the year ended December 31, 2020.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2020.

Other Matters

The Police Jury's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a material weakness.

The Police Jury's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
December 29, 2021

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

A. SUMMARY OF AUDIT RESULTS

1. The Police Jury issues primary government financial statements. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses a qualified opinion on the aggregate remaining fund information and an adverse opinion on the aggregate discretely presented component units. The component units issue separate audited financial statements.
2. No significant deficiencies or material weakness are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Claiborne Parish Police Jury was disclosed during the audit and reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. One material weakness in internal control over major federal award programs disclosed during the audit is reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the *Uniform Guidance*.
5. The auditor's report on compliance for the major federal award programs for Claiborne Parish Police Jury expresses a qualified opinion on the Section 8 Housing Choice Voucher Program and unmodified opinions on the other major federal programs.
6. No other audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) were disclosed and reported in this schedule.
7. The programs tested as major programs were:
 - a. United States Department of Housing and Urban Development - Housing Choice Voucher Cluster -Section 8 Housing Choice Voucher Program (CFDA 14.871).
 - b. United States Department of Interior - Payments in Lieu of Taxes (CFDA 15.226)
 - c. United States Department of Transportation - Passed through the State of Louisiana Department of Transportation - Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs (CFDA 20.526)
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Claiborne Parish Police Jury was determined not to be a low-risk auditee.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No findings are reported.

C. FINDINGS - SINGLE AUDIT

MATERIAL WEAKNESS AND NONCOMPLIANCE

2020-001 Section 8 Housing Choice Voucher Program – CFDA No. 14.871 – Reporting Requirement

First Reported

2019

Condition

The FDS submitted to HUD REAC did not match the general ledger maintained by the Police Jury. Following is a summary of the differences:

	<u>FDS</u>	<u>GL</u>	<u>Difference</u>
Assets	\$9,960	\$73,621	(\$63,661)
Liabilities	-	31,487	(31,487)
Equity	9,960	42,135	(32,175)
Revenues	332,748	333,599	851
Expenditures	323,046	336,551	(13,505)

Criteria

Financial Reports (OMB No. 2535-0107) - Financial Assessment Sub-system, FASS-PH. The Uniform Financial Reporting Standards (24 CFR section 5.801) require PHAs to submit timely GAAP-based unaudited and audited financial information electronically to HUD. The FASS-PH system is one of HUD's main monitoring and oversight systems for the HCVP.

Cause

Internal control failed to ensure accurate information was entered on the form. The administrative plan has not been updated since 2011. The plan may not reflect the current procedures. Current procedures should be evaluated and revised if necessary. A proper internal control system will include monitoring to ensure that policies and procedures are adhered to.

Effect

Inaccurate information may have been reported to HUD.

Context and Questioned Costs

We compared all FDS line items to the general ledger.

Recommendation

We recommend that management require the fee accountant to base the FDS on the general ledger prepared by the police jury and to obtain management's approval before submitting the FDS to HUD REAC. We also recommend that management design and implement procedures to prevent future errors. These procedures should be incorporated into an updated administrative plan.

Views of Responsible Officials and Planned Corrective Actions

Management agrees with the finding and has submitted a corrective action plan.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

2019-001 Office of Community Services (OCS) Interfund Balances not Cleared

This finding is resolved.

2019-002 Section 8 Housing Choice Voucher Program – CFDA No. 14.871 – Reporting Requirement

This finding is repeated as 2020-001.

Scott Davidson
President

Dwayne R. Woodard
Secretary-Treasurer

Claiborne Parish Police Jury

P.O. Box 270
Homer, Louisiana 71040-0270
318-927-2222 318-927-2727 fax

December 29, 2021

Bosch & Statham, LLC
Post Office Box 2377
Ruston, LA 7273-2377

Management's Response and Corrective Action Plan to the Independent Accountant's Report on the Schedule of Findings and Questioned Costs:

Finding 2019-001: Section 8 Housing Choice Voucher Program – CFDA No. 14.871 – Reporting Requirement

Management agrees with the auditor's finding, comments and recommendations concerning the above referenced material weakness and are of noncompliance.

The Secretary-Treasurer will perform a more accurate quality control inspection of the fee accountant's general ledger and financial statements to ensure that they are accurate and reconcile the differences to ensure that annual Form 50058 is accurate. We will also strengthen our controls and improve our monitoring activities and implement the changes to provide more accurate accounting within the Voucher program.

CPPJ management strives to provide accurate and transparent financials to the taxpayers and citizens of Claiborne Parish. Management appreciates the efforts of Bosch & Statham CPA's in helping us accomplish this.

CLAIBORNE PARISH POLICE JURY



Dwayne R. Woodard
Secretary-Treasurer