

**Webster Parish Police Jury
Minden, Louisiana**

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

Webster Parish Police Jury

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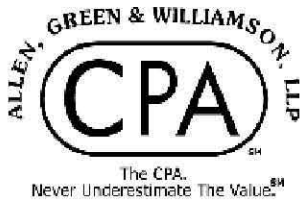
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Independent Auditor's Report

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units

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

Adverse Opinion

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

Unmodified Opinions

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

Emphasis of Matters

As disclosed in Note 8 to the financial statements, the net pension liability for the Police Jury was \$24,289 at December 31, 2020, as determined by the Parochial Employees' Retirement System of Louisiana. The related actuarial valuation was performed by the Retirement System's actuary using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at December 31, 2020, could be under or overstated. Our opinion is not modified with respect to this matter.

As disclosed in Note 16 to the financial statements, the other post-employment benefit (OPEB) liability for the Police Jury was \$7,214,038 at December 31, 2020, as determined by the Police Jury's actuary. The related actuarial valuation was performed using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at December 31, 2020, could be under or overstated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, Budgetary Comparison Schedules, and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with

auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 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.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

June 30, 2021

Webster Parish Police Jury

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REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

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

- The assets and deferred outflows of resources of the Police Jury exceeded its liabilities and deferred inflows of resources at the close of 2020 by \$21,074,492. Of this amount, the Police Jury reported \$(2,352,713) in unrestricted net position; which means if the Police Jury had to pay off all of its bills today including all of its non-capital liabilities such as compensated absences, there would be deficit of \$2,352,713.
- The Police Jury's net position decreased by \$1,114,058, or 5.02% compared to 2019.
- The Police Jury's total general and program revenues were \$13,445,072 in 2020 which is a decrease of \$1,064,981 over 2019. This decrease is due to the Police Jury reporting over \$1 million dollars in federal grant funding from FEMA during 2019. There were no FEMA revenues in 2020.
- During the year ended December 31, 2020, the Police Jury had total expenses of \$14,559,130, which includes depreciation expense. Expenses for 2019 totaled \$14,412,329. Expenses increased in 2020 by \$146,801. While the cost of the functions of the Police Jury increased slightly, the larger increases in expenses over last year occurred within public works and public safety functions, while areas of decreased expenses occurred in both culture and recreation and general government – finance and administration functions.

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

USING THIS ANNUAL REPORT The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - General fund, Sales Tax fund, Library fund, and Special 2.5 Mill Tax fund.

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

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Financial Statements

Required Supplementary Information

Schedule of Changes in the Total OPEB Liability and Related Ratios
Schedule of Employer's Proportionate Share of the Net Pension Liability
Schedule of Employer Contributions to Pension Plans
Budgetary Information for Major Funds

Supplementary Information

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

Other Reports Required By *Government Auditing Standards*

Other Information

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

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

Reporting the Police Jury as a Whole

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

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

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

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

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Criminal Court fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Police Jury's governmental funds use the following accounting approach:

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

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

THE POLICE JURY AS A WHOLE The Police Jury's net position was \$21,074,492 at December 31, 2020. Of this amount, \$(2,352,713) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use that net position for day-to-day operations. Our analysis below of the primary government focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental activities.

Table 1
Net Position
December 31,

	Governmental Activities		
	2020	2019	Increase (Decrease)
Other assets	\$ 14,855,145	\$ 15,101,469	\$ (246,324)
Capital assets	15,164,268	15,673,493	(509,225)
Total assets	<u>30,019,413</u>	<u>30,774,962</u>	<u>(755,549)</u>
Deferred outflows of resources	<u>1,837,620</u>	<u>3,373,289</u>	<u>(1,535,669)</u>
Other liabilities	629,510	492,442	137,068
Long-term liabilities	8,662,408	11,324,222	(2,661,814)
Total liabilities	<u>9,291,918</u>	<u>11,816,664</u>	<u>(2,524,746)</u>
Deferred inflows of resources	<u>1,490,623</u>	<u>143,037</u>	<u>1,347,586</u>
Net position			
Net investment in capital assets	13,989,268	14,283,493	(294,225)
Restricted	9,437,937	8,144,952	1,292,985
Unrestricted	<u>(2,352,713)</u>	<u>(239,895)</u>	<u>(2,112,818)</u>
Total net position	<u>\$ 21,074,492</u>	<u>\$ 22,188,550</u>	<u>\$ (1,114,058)</u>

The \$(2,352,713) in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that, if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example), we would have a deficit of \$2,352,713.

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

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2 takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

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

Revenues:	2020	2019	Increase (Decrease)
Program revenues:			
Charges for services	\$ 181,170	\$ 214,199	\$ (33,029)
Operating grants & contributions	970,866	2,127,123	(1,156,257)
Capital grants & contributions	78,072	24,010	54,062
General revenues:			
Ad valorem taxes	5,690,183	5,574,381	115,802
Sales taxes	3,336,696	3,145,101	191,595
Severance tax	900,625	1,075,349	(174,724)
Other revenues	2,287,460	2,349,890	(62,430)
Total revenues	<u>13,445,072</u>	<u>14,510,053</u>	<u>(1,064,981)</u>
Functions/Program Expenses:			
General government	3,950,817	4,067,395	(116,578)
Public safety	1,296,625	1,274,497	22,128
Public works	4,797,147	4,395,012	402,135
Health & welfare	1,194,897	1,131,993	62,904
Culture & recreation	3,276,098	3,502,836	(226,738)
Economic development and assistance	16,221	8,431	7,790
Interest on long-term debt	27,325	32,165	(4,840)
Total expenses	<u>14,559,130</u>	<u>14,412,329</u>	<u>146,801</u>
Increase (decrease) in net position	<u>\$ (1,114,058)</u>	<u>\$ 97,724</u>	<u>\$ (1,211,782)</u>

Governmental Activities As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$14,559,130. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$13,329,022 because some of the cost was paid by those who benefited from the programs \$181,170 or by other governments and organizations who subsidized certain programs with grants and contributions \$1,048,938.

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

In the table below, we have presented the cost of each of the Police Jury's six largest functions - judicial, finance and administrative, public safety, public works, health and welfare, and culture and recreation, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Years Ended December 31,
Governmental Activities**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
	<u>2020</u>	<u>2020</u>	<u>2019</u>	<u>2019</u>
Judicial	\$ 1,833,946	\$ 1,673,990	\$ 1,850,702	\$ 1,663,484
Finance & administrative	1,434,392	1,434,392	1,506,816	1,506,816
Public safety	1,296,625	1,203,580	1,274,497	1,158,971
Public works	4,797,147	4,271,594	4,395,012	2,702,701
Health & welfare	1,194,897	821,258	1,131,993	847,286
Culture & recreation	3,276,098	3,254,884	3,502,836	3,475,855
All others	726,025	669,324	750,473	691,884
Totals	<u>\$14,559,130</u>	<u>\$13,329,022</u>	<u>\$14,412,329</u>	<u>\$12,046,997</u>

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

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$13,659,651 which is a decrease of \$560,663 from last year. The primary reasons for this difference are as follows:

Our General fund is our principal operating fund. The fund balance in the General fund increased \$158,232 to \$5,213,620. When compared to the prior year, fund balance did not increase as much in the current year because the overall revenues were not as high in the current year. Prior year revenues included FEMA funding to reimburse flood damage expenditures that were incurred in 2016.

The overall increase in fund balance resulted from the increase in transfers to the General fund from the Solid Waste fund. The Solid Waste fund transferred \$520,000 in the current year, in contrast to the \$150,000 that it transferred in the prior year. This helped the General fund cover the amounts transferred from the General fund to the Criminal Court fund. The General fund transferred over \$584,000 in the current year to help cover the increased expenditures of the Criminal Court fund. In the prior year, the General fund had transferred \$420,000 to the Criminal Court fund. If the transfer in from the Solid Waste fund had not increased for the fiscal year, the General fund would not have reported an increase in fund balance.

The Sales Tax fund accounts for funds used for the purpose of blacktopping and sealing parish roads. This fund showed an increase of \$48,957 to \$1,006,729. This increase is due to a 6% increase in sales tax revenues, which was approximately \$192,000 more this year. The increase in sales tax revenues was available to cover the additional expenditures for road improvements and increase in personnel costs in public works.

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

The Library fund accounts for funds used for maintenance and operation of the parish library. This fund showed a decrease of \$86,336 to \$4,066,524. Compared to last year, revenues increased by approximately \$8,900, however expenditures also increased over \$54,000. Even with the increase in expenditures, the fund reported a surplus of approximately \$158,000 before transferring \$244,000 in funds to cover the debt service payment for the year. The transfer to cover the debt service exceeded the excess of the revenues over expenditures by \$86,336.

The Special 2.5 Mill Tax fund accounts for the operation and maintenance of the parish courthouse and health unit financed by a special annual property tax levy. This fund showed an increase of \$98,538 to \$749,603. The increase is due mainly from a decrease in capital expenditures of over \$36,000. In the prior year, capital expenditures included annex renovation costs of exceeding \$57,000, this year capital expenditures were for approximately \$22,000 incurred for two A/C systems.

The Nonmajor Governmental funds are comprised of the capital project fund, debt service fund and special revenue funds (Parish Road, Road District A, Road District B, Solid Waste, Special Library, DA Asset Forfeiture, Criminal Court, and Court Reporter). The combined funds showed a decrease of \$780,054 to \$2,623,175. The decrease was mainly due to a decrease in revenues of over \$300,000. While expenditures decreased by over \$450,000, transfers from the Solid Waste fund to the General fund increased by over \$355,000. The decrease in expenditures occurred mainly in public works expenditures, capital outlay and debt service payments.

FUND BUDGETARY HIGHLIGHTS Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report).

General fund There were quarterly revisions made to the 2020 General fund original budget. The final budgeted amounts available for appropriations were increased from the original budgeted amount by \$231,070, which was due to increases in the amounts transferred from other funds of \$420,000 and amounts to be received from federal grants of \$105,820. The increase to transfers and federal grants was made to reflect actual estimates and because we had to decrease the budgeted amount to be received from severance taxes by \$310,000. The charges to appropriations were increased \$452,760 mainly due to increases over our original budgeted expenditures in the areas of court costs and coroner expenses.

The actual amounts available for appropriations were more than the final budget by \$1,184,051. This was due to difference between the actual and beginning budgetary fund balance. The final budgeted charges to appropriations exceeded actual by \$4,236,334 because the final budgeted charges to appropriations were not amended to reduce for amounts estimated to cover potential contingencies from the original budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2020, the Police Jury had \$15,164,268 invested in a broad range of capital assets, including land, construction in progress, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions, and depreciation) of \$509,225 or 3.25% from last year. The major additions for 2020 were for purchases of library books, audio books, and videos of approximately \$181,000, an excavator, two 72" brush cutters, two vehicles, and a generator for public works and two new air conditioning units for the Webster Parish annex.

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

Capital Assets at Year-end

	Governmental Activities	
	2020	2019
Land	\$ 1,365,640	\$ 1,365,640
Construction in progress	161,587	-
Buildings and improvements	17,236,645	17,236,645
Infrastructure	2,983,470	2,983,470
Furniture, equipment & vehicles	7,608,040	7,278,269
Library books and information materials	1,488,069	1,532,994
Total cost of capital assets	<u>30,843,451</u>	<u>30,397,018</u>
Less: accumulated depreciation	<u>(15,679,183)</u>	<u>(14,723,525)</u>
Total net capital assets	<u>\$ 15,164,268</u>	<u>\$ 15,673,493</u>

For further information on capital assets, see Note 6 of the Notes to the Financial Statements.

Debt Administration At December 31, 2020, the Police Jury had the following debt obligations.

Outstanding Debt, at Year-end

	Governmental Activities	
	2020	2019
Limited tax certificate of indebtedness (backed by the Police Jury)	<u>\$ 1,175,000</u>	<u>\$ 1,390,000</u>
Total debt	<u>\$ 1,175,000</u>	<u>\$ 1,390,000</u>

Other obligations include accrued vacation pay, other post-employment benefits and net pension liability. We present more detailed information about our long-term liabilities in Note 10 of Notes to the Financial Statements. See Note 8 for additional information regarding the pension plan and Note 16 regarding information on the other post-employment benefit plan.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the Police Jury's 2021 budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. For 2021, we have budgeted a decrease in our ad valorem collections. We have budgeted no change in sales tax collections from 2020 to 2021. We budgeted expenditures to be comparable to 2020, including budgeting a \$300,000 transfer out of the General fund to the Criminal Court fund to help cover the costs of court operations that is expected to exceed its revenues.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Secretary-Treasurer, at the Webster Parish Police Jury, P. O. Box 389, Minden, Louisiana, 71058-0389, telephone number (318) 377-7564.

Webster Parish Police Jury

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BASIC FINANCIAL STATEMENTS

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

WEBSTER PARISH POLICE JURY

**Statement of Net Position
December 31, 2020**

	Statement A
	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and equivalents	\$ 4,622,850
Investments	2,825,235
Receivables	6,814,962
Prepaid items	592,098
Capital assets not being depreciated	1,527,227
Capital assets, net of accumulated depreciation	13,637,041
TOTAL ASSETS	30,019,413
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	1,085,389
Deferred outflows related to pensions	752,231
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,837,620
LIABILITIES	
Accounts and other payables	563,942
Interest payable	8,852
Due to other governments	56,716
Long-term liabilities:	
Due within one year	447,758
Due in more than one year	976,323
OPEB liability	7,214,038
Net pension liability	24,289
TOTAL LIABILITIES	9,291,918
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows related to OPEB	343,116
Deferred Inflows related to pensions	1,147,507
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,490,623
NET POSITION	
Net investment in capital assets	13,989,268
Restricted for:	
Solid waste collection, road and jail	949,067
Library	4,722,586
Road	2,886,182
Courthouse and health unit	800,034
DA salaries and benefits	39,274
Criminal court	19,632
Court reporter	21,162
Unrestricted	(2,352,713)
TOTAL NET POSITION	\$ 21,074,492

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

WEBSTER PARISH POLICE JURY

Statement of Activities
For the Year Ended December 31, 2020

Statement B

**PRIMARY
GOVERNMENT
GOVERNMENTAL
ACTIVITIES**
**NET (EXPENSE)
REVENUE AND
CHANGES IN
NET POSITION**

FUNCTIONS/PROGRAMS

Primary Government: Governmental Activities:

General Government:

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Legislative	\$ 247,804	\$ -	\$ -	\$ -	\$ (247,804)
Judicial	1,833,946	159,956	-	-	(1,673,990)
Elections	50,045	-	-	-	(50,045)
Finance and administrative	1,434,392	-	-	-	(1,434,392)
Other general government:	384,630	-	56,701	-	(327,929)
Public safety	1,296,625	-	93,045	-	(1,203,580)
Public works	4,797,147	-	447,481	78,072	(4,271,594)
Health and welfare	1,194,897	-	373,639	-	(821,258)
Culture and recreation	3,276,098	21,214	-	-	(3,254,884)
Economic development and assistance	16,221	-	-	-	(16,221)
Interest on long-term debt	27,325	-	-	-	(27,325)
Total governmental activities	\$ 14,559,130	\$ 181,170	\$ 970,866	\$ 78,072	(13,329,022)

General revenues:

Taxes:

Property taxes, levied for general purposes	5,690,183
Sales taxes, levied for general purposes	3,336,696
State revenue sharing	244,049
Severance tax	900,625
Grants and contributions not restricted to specific programs	360,549
Fees, charges and commissions	130,919
Licenses and permits	433,473
Interest and investment earnings	241,903
Miscellaneous	876,567

Total general revenues 12,214,964

Change in net position (1,114,058)

Net position - beginning 22,188,550

Net position - ending \$ 21,074,492

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

Webster Parish Police Jury

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

WEBSTER PARISH POLICE JURY

**GOVERNMENTAL FUNDS
Balance Sheet
December 31, 2020**

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>LIBRARY</u>
ASSETS			
Cash and cash equivalents	\$ 1,338,776	\$ 618,891	\$ 1,163,808
Investments	2,314,606	-	-
Receivables	1,483,464	361,491	3,252,146
Interfund receivables	39,887	-	-
Prepaid items	318,362	57,662	155,990
TOTAL ASSETS	<u>5,495,095</u>	<u>1,038,044</u>	<u>4,571,944</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts and other payables	137,830	31,315	172,123
Interfund payables	-	-	-
Due to other governments	52,495	-	-
TOTAL LIABILITIES	<u>190,325</u>	<u>31,315</u>	<u>172,123</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	91,150	-	333,297
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>91,150</u>	<u>-</u>	<u>333,297</u>
Fund balances:			
Nonspendable - prepaid items	318,362	57,662	155,990
Restricted	1,258,036	949,067	3,910,534
Committed	2,000,000	-	-
Unassigned	1,637,222	-	-
TOTAL FUND BALANCES	<u>5,213,620</u>	<u>1,006,729</u>	<u>4,066,524</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,495,095</u>	<u>\$ 1,038,044</u>	<u>\$ 4,571,944</u>

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

Statement C

SPECIAL 2.5 MILL TAX	NONMAJOR GOVERNMENTAL	TOTAL
\$ 123,606	\$ 1,377,769	\$ 4,622,850
-	510,629	2,825,235
739,491	978,370	6,814,962
-	3,573	43,460
24,083	36,001	592,098
<u>887,180</u>	<u>2,906,342</u>	<u>14,898,605</u>
63,063	159,611	563,942
-	43,460	43,460
-	4,221	56,716
<u>63,063</u>	<u>207,292</u>	<u>664,118</u>
<u>74,514</u>	<u>75,875</u>	<u>574,836</u>
<u>74,514</u>	<u>75,875</u>	<u>574,836</u>
24,083	36,001	592,098
725,520	2,111,475	8,954,632
-	475,699	2,475,699
-	-	1,637,222
<u>749,603</u>	<u>2,623,175</u>	<u>13,659,651</u>
<u>\$ 887,180</u>	<u>\$ 2,906,342</u>	<u>\$ 14,898,605</u>

Webster Parish Police Jury

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WEBSTER PARISH POLICE JURY

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

		Statement D
Total fund balances - governmental funds	\$	13,659,651
<p>The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets	\$ 30,843,451	
Accumulated depreciation	<u>(15,679,183)</u>	15,164,268
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources - unavailable revenue in the governmental funds.		574,836
Deferred outflows of resources are not available to pay current period expenditures and, therefore, are not reported in the governmental funds.		1,837,620
Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the governmental funds.		(1,490,623)
<p>Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.</p>		
Balances at December 31, 2020 are:		
Long-term liabilities and related items		
Accrued interest payable	(8,852)	
Limited tax debt payable	(1,175,000)	
Compensated absences payable	(249,081)	
OPEB liability	(7,214,038)	
Net pension liability	<u>(24,289)</u>	<u>(8,671,260)</u>
Net position of governmental activities	\$	<u><u>21,074,492</u></u>

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

WEBSTER PARISH POLICE JURY

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

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>LIBRARY</u>
REVENUES			
Local sources:			
Taxes:			
Ad Valorem	\$ 895,766	\$ -	\$ 3,127,775
Sales and use	-	3,336,696	-
Licenses and permits	433,473	-	-
Intergovernmental revenues:			
Federal grants	510,739	-	-
State funds:			
Parish transportation funds	-	-	-
State revenue sharing	48,495	-	67,792
Severance taxes	900,625	-	-
Other	451,267	-	-
Fees, charges, and commissions for services	30,015	-	-
Fines and forfeitures	-	-	21,191
Use of money and property	108,285	3,878	18,410
Other revenues	265,819	402,902	19,020
	<u>3,644,484</u>	<u>3,743,476</u>	<u>3,254,188</u>
TOTAL REVENUES	3,644,484	3,743,476	3,254,188
EXPENDITURES			
Current:			
General government:			
Legislative	223,777	-	-
Judicial	720,438	-	-
Elections	46,279	-	-
Finance and administrative	1,143,520	-	-
Other general government	340,083	-	-
Public safety	378,612	825,650	-
Public works	-	2,633,028	-
Health and welfare	509,118	-	-
Culture and recreation	17,092	-	2,754,316
Economic development and assistance	16,221	-	-
Capital outlay	27,002	235,841	342,264
Debt service:			
Principal retirement	-	-	-
Interest and bank charges	-	-	-
	<u>3,422,142</u>	<u>3,694,519</u>	<u>3,096,580</u>
TOTAL EXPENDITURES	3,422,142	3,694,519	3,096,580
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 222,342</u>	<u>\$ 48,957</u>	<u>\$ 157,608</u>

Statement E

<u>SPECIAL 2.5 MILL TAX</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 699,287	\$ 791,703	\$ 5,514,531
-	-	3,336,696
-	-	433,473
-	-	510,739
-	447,481	447,481
72,593	55,169	244,049
-	-	900,625
-	-	451,267
1,230	99,674	130,919
-	159,979	181,170
2,924	108,406	241,903
-	190,996	878,737
<u>776,034</u>	<u>1,853,408</u>	<u>13,271,590</u>
-	-	223,777
-	957,017	1,677,455
-	-	46,279
-	-	1,143,520
39,124	-	379,207
-	72,259	1,276,521
-	1,616,495	4,249,523
616,842	-	1,125,960
-	624	2,772,032
-	-	16,221
21,530	51,177	677,814
-	215,000	215,000
-	28,944	28,944
<u>677,496</u>	<u>2,941,516</u>	<u>13,832,253</u>
<u>\$ 98,538</u>	<u>\$ (1,088,108)</u>	<u>\$ (560,663)</u>

(CONTINUED)

WEBSTER PARISH POLICE JURY
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balances
For the Year Ended December 31, 2020

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>LIBRARY</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 520,000	\$ -	\$ -
Transfers out	(584,110)	-	(243,944)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(64,110)</u>	<u>-</u>	<u>(243,944)</u>
NET CHANGE IN FUND BALANCES	158,232	48,957	(86,336)
FUND BALANCES - BEGINNING	<u>5,055,388</u>	<u>957,772</u>	<u>4,152,860</u>
FUND BALANCES - ENDING	<u>\$ 5,213,620</u>	<u>\$ 1,006,729</u>	<u>\$ 4,066,524</u>

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

Statement E

<u>SPECIAL 2.5 MILL TAX</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ 828,054	\$ 1,348,054
-	(520,000)	(1,348,054)
-	308,054	-
98,538	(780,054)	(560,663)
651,065	3,403,229	14,220,314
<u>\$ 749,603</u>	<u>\$ 2,623,175</u>	<u>\$ 13,659,651</u>

(CONCLUDED)

WEBSTER PARISH POLICE JURY

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

		Statement F
Total net change in fund balances - governmental funds	\$	(560,663)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period:		
Capital outlay	\$	677,814
Depreciation expense		<u>(1,184,869)</u>
		(507,055)
Loss on sale of asset		(2,170)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		175,652
In the Statement of Activities, certain operating expenses-compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation used (\$227,758) exceeded vacation earned (\$187,218) by \$40,540.		40,540
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.		(14,279)
Other post-employment benefits are reported in the governmental funds as expenditures when paid. The unfunded annual contributions is reported in the Statement of Activities as it accrues.		(462,702)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		1,619
Issuance of long-term debt provides current financial resources of governmental funds, while the repayment consumes the current financial resources in the governmental funds. Neither transaction, however, has any effect on the Statement of Net Position.		
Principal payments on certificate of indebtedness		<u>215,000</u>
Change in net position of governmental activities.	\$	<u><u>(1,114,058)</u></u>

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

WEBSTER PARISH POLICE JURY
FIDUCIARY FUND - AGENCY FUNDS
Statement of Fiduciary Assets and Liabilities
December 31, 2020

Statement G

	DRUG SEIZURE AND FORFEITURE	MASTER BANK	TOTAL
ASSETS			
Cash and cash equivalents	\$ 118,715	\$ 189,602	\$ 308,317
TOTAL ASSETS	<u>118,715</u>	<u>189,602</u>	<u>308,317</u>
LIABILITIES			
Payroll withholdings	-	189,602	189,602
Amounts pending per court order	<u>118,715</u>	<u>-</u>	<u>118,715</u>
TOTAL LIABILITIES	<u>\$ 118,715</u>	<u>\$ 189,602</u>	<u>\$ 308,317</u>

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

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

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

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

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

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

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

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

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

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

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

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
Twenty-sixth Judicial District Criminal Court Fund	Blended	December 31	2 and 3
Not included within the reporting entity:			
Webster Parish Office of Community Services (Community Action)		December 31	1 and 3
Webster Parish Communication District (E-911)		December 31	3
Sarepta Waterworks District		December 31	1
Doyline Waterworks District		December 31	1
Springhill Fire Protection District		December 31	1
Evergreen Fire Protection District		December 31	1
Heflin Fire Protection District		November 30	1
Cullen Fire Protection District		December 31	1
Dixie Inn Fire Protection District		June 30	1
Cotton Valley Fire Protection District		December 31	1

The Police Jury has chosen not to include the component units above in its basic financial statements; however, these are necessary in order for the Police Jury to be reporting in conformity with GAAP. Separate financial statements for the component units can be obtained by contacting the component unit. If these component units were included, it would be through discrete presentation.

The Police Jury is also responsible for appointing a majority of the members of the boards of the Doyline Fire Protection District but the Police Jury's accountability for the organization does not extend beyond making appointments.

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

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

Governmental Funds

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

Sales Tax fund - accounts for proceeds and use of sales taxes.

Library fund - accounts for the activities performed for the public library. The main source of revenue is ad valorem tax restricted for the library.

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

Special 2.5 Mill Tax fund - accounts for the operation and maintenance of the parish courthouse and health unit. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

Fiduciary Funds

Fiduciary Funds - are used to account for assets held on behalf of the outside parties, including other governments, or on behalf of other funds within the Police Jury.

Agency funds - account for assets that the Police Jury holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. The agency funds are accounted for using the accrual basis of accounting. The agency funds are as follows:

Drug Seizure and Forfeiture fund - accounts for funds received from assets seized in drug related matters.

Master bank fund - combining fund equity for all other funds of the Police Jury.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

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

Fund Financial Statements (FFS)

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

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

Revenues Ad valorem taxes and the related state revenue sharing are recorded in the year they are assessed. Ad valorem taxes are assessed on a calendar-year basis and become due on November 15 of each year, and become delinquent on December 31. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year. The ad valorem tax receivable at December 31, 2020 was \$5,694,665.

Interest income on investments is recorded when earned and the income is available.

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

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

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

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

D. ENCUMBRANCES Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

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E. CASH AND CASH EQUIVALENTS Cash includes amounts petty cash, in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state in the United States or under the laws of United States.

F. INVESTMENTS Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Police Jury reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Short term investments are reported at amortized cost which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Police Jury participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC. LAMP is a 2a7-like 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 LA-R.S. 33.2955.

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 net asset 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.

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An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS) During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables. Receivables and payables between the primary government and discretely presented component units are disclosed separately from interfund balances as due to/from component units.

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

I. INVENTORY AND PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method.

J. CAPITAL ASSETS Capital assets for the Police Jury purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight line depreciation is used based on the following estimated useful lives:

Buildings	20-40 years
Infrastructure	40 years
Furniture and equipment	5 - 10 years
Vehicles	5-15 years
Library books and related materials	5 years
Intangibles-software	5 years
Intangibles-other	5 years

GASB No. 34 requires the Police Jury to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Police Jury. The Police Jury does not and is not required to retroactively report infrastructure constructed before January 1, 2004. The Police Jury's policy is to capitalize infrastructure construction or improvements of \$250,000 or more.

K. COMPENSATED ABSENCES All full-time employees of the Police Jury and Criminal Court earn annual leave at rates varying from 10 to 25 days per year, depending on length of service. Employees may accumulate up to a maximum of 90 days of annual leave. Employees hired after January 1, 2006 may carry forward 30 days. No more than 30 days of annual leave will be paid out due to termination, retirement, or death of the employee. All full-time permanent employees earn one sick day per month. Sick leave may be accumulated without limitation. Upon retirement, unused sick leave is used in the retirement benefit computation as earned service. Employees are not compensated for accumulated sick leave upon separation of service.

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Full-time employees of the Webster Parish Library earn from two to five weeks of vacation leave, depending on their job classification. Part-time employees earn vacation leave each year in proportion to the number of hours worked per week on a regular basis. Vacation leave can be accrued up to a maximum of six work weeks. Upon resignation or retirement, employees receive payment for unused vacation leave. Sick leave with pay is allowed for all full-time and part-time employees working on a regular basis in the amount of two work weeks per year. Sick leave can be accumulated up to a maximum of 12 work weeks. Sick leave lapses upon termination of employment.

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

The Police Jury's recognition and measurement criterion for compensated absences follows:

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

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

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

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

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

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

M. RESTRICTED NET POSITION For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either:

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation. \$7,621,078 of the Police Jury's net position is restricted by enabling legislation.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Webster Parish Police Jury
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N. FUND EQUITY OF FUND FINANCIAL STATEMENTS Fund balances are reported in the following categories:

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

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

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

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

Unassigned: Fund balance that is the residual classification for the General fund or a deficit fund balance in other funds.

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

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

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

P. SALES TAXES The Police Jury has a one half of one percent sales and use tax, which was passed by the voters at a special election on May 5, 1984. The tax went into effect on June 1, 1984 and will remain in effect for an indefinite period. The tax is to be used for solid waste collection and disposal; constructing, maintaining, and improving public roads, streets, highways and bridges; and constructing and renovating jail and penal farm facilities.

Q. UNEARNED REVENUE Unearned revenues arise when assets are recognized before the revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that were not collected within the available period are recorded as unearned revenue.

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

S. LONG-TERM OBLIGATIONS In the government-wide financial statements, long-term debt and other long-term obligations are reported a liability in the applicable governmental activities in the Statement of Net Position. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost, except any portion related to prepaid insurance costs are expensed in the period incurred. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the acute debt proceeds received, are reported as debt service expenditures.

T. RISK MANAGEMENT The Police Jury is exposed to various risks of losses related to torts, theft of, damage to, and destructions of assets; error and omissions; injuries to employees; and natural disasters. The Police Jury maintains insurance to cover such risk. In the past, the insurance has been sufficient to cover any settlements. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

U. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow or resources (expense/expenditure) until then. The Police Jury does have two items that qualify as deferred outflows of resources, which are related to OPEB and pension obligations. See Note 8 for additional information related to pensions and Note 16 for additional information related to OPEB.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Police Jury has items that qualify for reporting in this category. One of the items arise under the modified accrual basis of accounting, *unavailable revenue*, which is reported only in the governmental funds balance sheet as unavailable property taxes. These amounts are referred and recognized as an inflow of resources in the period that the amounts become available. The other items that qualify as deferred inflow of resources relate to OPEB and pension obligations. See Note 8 for additional information related to pensions and Note 16 for additional information related to OPEB.

NOTE 2 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within Webster Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Webster Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Webster Parish Police Jury
Notes to the Financial Statements
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The Webster Parish Sheriff's Office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Millage rates adopted/levied	August 4, 2020
Tax bills mailed	On or about November 1, 2020
Due date	December 31, 2020
Collection dates	December 31, 2020 through April 2021
Penalty and interest accrues	January 1, 2021
Tax sale – 2020 property	May 2021

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2017. Total assessed value was \$323,648,207 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$57,737,402 of the assessed value in calendar year 2020.

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

The calendar year tax roll is prepared by the parish tax assessor in November of each year. The amount of property taxes to be collected occurs in December 2020 and January and February 2021. All property taxes are recorded in the general, special revenue and debt service funds. The Police Jury considers the lien date (January 1, 2021) as the date an enforceable legal claim occurs for 2020 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted).

Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

**Webster Parish Police Jury
Notes to the Financial Statements
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The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

<u>Parish-wide taxes:</u>	<u>Maximum Millage Rate</u>	<u>Authorized/ Levied Rate</u>
General maintenance	6.40	6.40
Library maintenance and operation	12.43	12.39
Courthouse, health unit, and agricultural extension service maintenance and operation	2.78	2.77
<u>District taxes:</u>		
Road District A construction and maintenance	2.65	2.62
Road District B construction and maintenance	3.95	3.95

NOTE 3 - DEPOSITS At December 31, 2020, the Police Jury had cash and cash equivalents (book balances) as follows:

Demand deposits (cash and cash equivalents per Statement A)	\$ 4,622,625
Time deposits (reported as investments per Statement A)	2,821,622
Demand deposits (cash and cash equivalents per Statement G – Agency funds)	308,317
Petty cash (cash and cash equivalents per Statement A)	225
Total	<u><u>\$ 7,752,789</u></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.

Custodial Credit Risk-Deposits: At year-end the bank balance for the Police Jury was \$7,836,691. Of the bank balance, \$2,271,260 was covered by federal depository insurance. The remaining balance, \$5,565,431 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Police Jury's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand. The Police Jury's policy does not address custodial credit risk.

Interest Rate Risk-Deposits: The Police Jury's policy does not address interest rate risk.

**Webster Parish Police Jury
Notes to the Financial Statements
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NOTE 4 - INVESTMENTS At year end, the Police Jury investment balances were as follows:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value Carrying Amount</u>	<u>% of Investments</u>
External investment pool - LAMP	< 1 year	AAAm	\$ 3,613	100%
Total investments			<u>3,613</u>	
Time deposits reported as investments			<u>2,821,622</u>	
Total investments reported as Statement A			<u>\$ 2,825,235</u>	

Investments held at December 31, 2020 consist of \$3,613 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit Risk: LAMP is rated AAAM by Standard and Poor's.

Custodial Credit Risk-Investments: 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.

Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest note risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's investments is 47 days as of December 31, 2020.

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

<u>Class of Receivables</u>	<u>General</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Ad valorem taxes	\$ 928,034	\$ -	\$ 3,230,548	\$ 722,245	\$ 813,838	\$ 5,694,665
Sales and use taxes	-	351,076	-	-	-	351,076
Intergovernmental	537,252	-	21,598	17,246	158,880	734,976
Fees, charges, and commissions for services	4,075	-	-	-	1,127	5,202
Other	14,103	10,415	-	-	4,525	29,043
Total	<u>\$ 1,483,464</u>	<u>\$ 361,491</u>	<u>\$ 3,252,146</u>	<u>\$ 739,491</u>	<u>\$ 978,370</u>	<u>\$ 6,814,962</u>

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

Webster Parish Police Jury
Notes to the Financial Statements
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NOTE 6 - CAPITAL ASSETS The following schedule presents changes in capital assets for governmental activities:

	<u>Balance at Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at Ending</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 1,365,640	\$ -	\$ -	\$ 1,365,640
Construction in progress	-	161,587	-	161,587
Total capital assets, not being depreciated	<u>1,365,640</u>	<u>161,587</u>	<u>-</u>	<u>1,527,227</u>
Capital assets, being depreciated				
Buildings and improvements	17,236,645	-	-	17,236,645
Infrastructure	2,983,470	-	-	2,983,470
Furniture, equipment & vehicles	7,278,269	335,550	5,779	7,608,040
Library books and information materials	1,532,994	180,677	225,602	1,488,069
Total capital assets, being depreciated	<u>29,031,378</u>	<u>516,227</u>	<u>231,381</u>	<u>29,316,224</u>
Less accumulated depreciation:				
Buildings and improvements	7,958,333	457,061	-	8,415,394
Infrastructure	616,002	78,601	-	694,603
Furniture, equipment & vehicles	5,349,317	366,708	5,779	5,710,246
Library books and information materials	799,873	282,499	223,432	858,940
Total accumulated depreciation	<u>14,723,525</u>	<u>1,184,869</u>	<u>229,211</u>	<u>15,679,183</u>
Total capital assets, being depreciated, net	<u>14,307,853</u>	<u>(668,642)</u>	<u>2,170</u>	<u>13,637,041</u>
Governmental activities capital assets, net	<u>\$ 15,673,493</u>	<u>\$ (507,055)</u>	<u>\$ 2,170</u>	<u>\$15,164,268</u>

Depreciation expense was charged to the governmental activities as follows:

Judicial	\$ 10,429
Finance & administrative	234,825
Other general government	4,609
Public safety	9,421
Public works	366,675
Health & welfare	44,895
Culture & recreation	514,015
Total	<u>\$1,184,869</u>

Webster Parish Police Jury
Notes to the Financial Statements
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NOTE 7 - ACCOUNTS AND OTHER PAYABLES The accounts and other payables for December 31, 2020 fiscal year end are as follows:

	General Fund	Sales Tax	Library	Special 2.5 Mill Tax	Nonmajor Governmental	Total
Vendors	\$ 40,620	\$ 27,413	\$ 29,641	\$ 10,703	\$ 61,688	\$ 170,065
Construction contracts	63,495	-	13,996	-	68,282	145,773
Pension - ad valorem tax	33,715	-	117,779	26,332	29,618	207,444
Utilities	-	3,902	10,707	26,028	23	40,660
	<u>\$ 137,830</u>	<u>\$ 31,315</u>	<u>\$ 172,123</u>	<u>\$ 63,063</u>	<u>\$ 159,611</u>	<u>\$ 563,942</u>

Pension - ad valorem tax represents amounts withheld from the Police Jury's ad valorem taxes for Sheriff pension collection costs.

NOTE 8 - PENSION PLAN The Police Jury is a participating employer in a statewide, public employee retirement system, the Parochial Employees' Retirement System of Louisiana (System). The System has a separate board of trustees and administers a cost-sharing, multiple-employer defined benefit pension plan. The System is composed of two plans, Plan A and Plan B, with separate asset and benefit provisions. All employees of the Police Jury are members of Plan A. The authority to establish and amend the benefit terms of the System was granted to the Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. The System issues a public report that includes financial statements and required supplementary information. Copies of the report for the System may be obtained at www.persla.org.

General Information about the Pension Plan

Plan Description/Benefits Provided:

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

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

The retirement allowance is equal to 3% of the member's final average compensation multiplied by the member's years of creditable service. Final average compensation is defined as the average of the highest consecutive 36 months' salary for members hired prior to January 1, 2007. For members hired January 1, 2007 and later, final average compensation shall be defined as the average of the highest consecutive 60 months' salary.

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

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

Deferred Retirement Option Plan

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

Cost of Living Adjustments

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

Contributions

Contributions for all members are established by statute at 9.5% of compensation and are deducted from the member's salary and remitted by the participating employer. According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actuarially determined contribution rate was 12.18%, based on the December 2019 report and the actual contribution rate was 11.5% or \$376,241. For fiscal year ended December 31, 2020, the actual contribution rate was 12.25% or \$409,146. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities. The Police Jury's proportionate share of nonemployer contributions was \$41,754 and was recognized as revenue by the Police Jury.

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

At December 31, 2020, the Police Jury reported a liability of \$24,289 for its proportionate share of the Net Pension Liability (NPL). The NPL was measured as of December 31, 2019, and the total pension assets and liabilities used to calculate the NPL were determined by actuarial valuations as of that date. This liability will be liquidated by the General fund and special revenue funds with recorded salaries. The Police Jury's proportions of the NPL were based on projections of the Police Jury's long-term share of contributions to the pension plan relative to the projected contribution of all participating employers, actuarially determined. As of December 31, 2019, the most recent measurement date, the Police Jury's proportions and the changes in proportion from the prior measurement date were .515972%, or a decrease of .0191550%.

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

The following reflects the changes in the net pension liability (asset):

Beginning Balances	Additions/Changes in Estimates	Deletions	Ending Bance
\$ 2,375,086	\$ (1,941,651)	\$ 409,146	\$ 24,289

For the year ended December 31, 2020, the Police Jury recognized a total pension expense of \$14,279. The Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ -	\$ 217,440
Change in assumptions	339,228	-
Net difference between projected and actual earnings on pension plan investments	-	910,484
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,857	19,583
Employer contributions after measurement date	409,146	-
Total	\$ 752,231	\$ 1,147,507

Deferred outflows of resources related to pensions resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$ (179,623)
2022	(231,169)
2023	16,282
2024	(409,912)

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

Actuarial Assumptions

The total pension liability for PERS in the December 31, 2019, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.5%, net of investment expense, including inflation
Inflation Rate	2.40%
Mortality - Non-disabled	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Employees multiplied by 130% for males and 125% for females with full generational projection using the MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using MP2018 scale
Mortality - Disabled	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using MP2018 scale
Salary Increases	4.75% (2.35% Merit/2.40% Inflation)
Cost of Living Adjustments	Not substantively automatic
Termination, Disability, Retirement	Projected based on a 5 year (January 1, 2013 - December 31, 2017) experience study

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

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

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

Asset Class	Target Allocation	LT Expected Real Rate of Return
Fixed income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real assets	2%	0.11%
Total	100%	5.18%
Inflation		2.00%
Expected arithmetic nominal return		7.18%

Discount Rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

1.0% Decrease	Current Discount Rate	1.0% Increase
\$ 2,625,210	\$ 24,289	\$ (2,155,232)

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

Payables to the Pension Plan. At December 31, 2020, the Police Jury had \$164,290 in payables for the December 2020 employee and employer legally required contributions.

NOTE 9 - COMPENSATED ABSENCES At December 31, 2020, employees of the Police Jury, Library, and Criminal Court had accumulated and vested \$249,081 of employee leave benefits. The liability for compensated absences includes salary related benefits.

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

NOTE 10 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities:					
Direct Borrowing and Private Placement:					
Limited tax certificate of indebtedness	\$ 1,390,000	\$ -	\$ 215,000	\$ 1,175,000	\$ 220,000
Compensated absences	289,621	187,218	227,758	249,081	227,758
Total	<u>\$ 1,679,621</u>	<u>\$ 187,218</u>	<u>\$ 442,758</u>	<u>\$ 1,424,081</u>	<u>\$ 447,758</u>

The compensated absence liability will be liquidated by General fund 21%, Special Revenue funds 41%, and Library fund 38%.

The Direct Borrowing and Private Placement debt at December 31 is as follows:

	Amount
2014 Limited Tax Certificates of Indebtedness:	\$ 1,175,000
\$2,200,000 Certificate of Indebtedness, dated 10/15/2014; due in annual principal installments of \$195,000 - \$250,000 through March 1, 2025; interest at 2.260%; secured by levy and collection of ad valorem taxes	

The annual requirement to amortize long-term debt outstanding as of December 31, 2020, including interest payments are as follows:

	Principal Payments	Interest Payments	Total
2021	\$ 220,000	\$ 24,069	\$ 244,069
2022	230,000	18,984	248,984
2023	235,000	13,729	248,729
2024	240,000	8,362	248,362
2025	250,000	2,825	252,825
	<u>\$ 1,175,000</u>	<u>\$ 67,969</u>	<u>\$ 1,242,969</u>

At December 31, 2020, \$364 was available in Debt Service fund to service the limited tax certificate of indebtedness.

In accordance with Louisiana Revised Statute 39:562, the Police Jury and its component units are legally restricted from incurring long-term bonded general obligation debt in excess of ten percent of the assessed value of taxable property in the parish or district. At December 31, 2020, the statutory limit is \$32,364,821 and net outstanding bonded general obligation debt totaled \$0. The Police Jury is within limits required by statute.

In accordance with Louisiana Revised Statute 39:742.2, the principal and interest due on limited tax certificates of indebtedness in any year on the amount so borrowed for and on behalf of any political subdivision in anticipation of the revenues to be received from a special ad valorem tax shall not exceed seventy-five percent of the revenues estimated to be realized from the levy of such special tax in the year in which such bonds are issued.

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

Pledged Revenue: In October 2014, the Police Jury issued \$2,200,000 in limited tax certificates of indebtedness to finance the acquiring, constructing, improving, furnishing and equipping public libraries in Webster Parish. The Police Jury has pledged, as security, a portion of the 12.43 mills Library ad valorem tax. The certificates are payable solely from the library ad valorem tax collected and are payable through fiscal year end 2025. The principal and interest payments are estimated to be 8.0% over the next 5 years. The total principal and interest remaining to be paid is \$1,175,000 and \$67,969, respectively. For fiscal year ended December 31, 2020, the Police Jury received \$3,127,775 from the collection of the 12.43 mills and paid \$215,000 in principal and \$28,944 in interest obligations for the 2014 certificates of indebtedness.

NOTE 11 - CRIMINAL COURT FUND Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end-be transferred to the parish General fund. Criminal Court had a fund balance at the end of the year of \$42,103. Due to the General fund transferring \$584,110 during the fiscal year to the criminal court fund to cover excess expenses, the General fund chose not to transfer one-half of the remaining fund balance from the criminal court fund and decided to leave the fund balance intact to assist in a reduction of future transfers from the General fund to the criminal court for excess expenses.

NOTE 12 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Transfers In/Out

<u>Transferred In</u>	<u>Transferred Out</u>	<u>Amount</u>
General fund	Nonmajor Governmental	\$ 520,000
Nonmajor Governmental	General fund	584,110
Nonmajor Governmental	Library	243,944
Total		<u>\$ 1,348,054</u>

Transfers were made from the Solid Waste to the General fund to help cover shortfalls within the fund per the budget. Transfers from the General fund to the Nonmajor Governmental funds were to cover shortfalls in the Criminal Court fund. Additionally, the transfer from the Library fund was to the Nonmajor Governmental - debt service fund due to the required sinking fund payment.

Interfund Receivables/Payables

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor Governmental	\$ 39,887
Nonmajor Governmental	Nonmajor Governmental	3,573
Total		<u>\$ 43,460</u>

The purpose of the receivable to the General fund was to reimburse for expenses paid at year end. The remaining is for bond forfeiture money payable at year end from the Court fund to the DA Asset Forfeiture fund.

NOTE 13 - LITIGATION AND CLAIMS

Litigation At December 31, 2020, the Police Jury was involved in a litigation. It is the opinion of legal counsel for the Policy Jury that ultimate resolution of the litigation would not materially affect the financial statements.

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

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

Head Start Program Disallowance The Department of Health and Human Services' (HHS), Administration for Children and Families conducted a monitoring review of the 2012 Head Start program year at the Webster Parish Office of Community Services, a component unit of the Police Jury. The monitoring reported findings resulted in disallowed costs by the Office of Community Services in the amount of \$273,251. Although this is a liability being reported by the Office of Community Services, the communication to the Office of Community Services by HHS has been addressed to the Webster Parish Police Jury. The Webster Parish Police Jury and the Office of Community Services are currently waiting to hear back from the Department of Health and Human Services on the final outcome. The repayment of this liability is expected to be paid by the Office of Community Services; therefore, the Police Jury has not recorded a liability at December 31, 2020 for the disallowance nor any accrued interest.

FEMA Contractor In 2016, the Police Jury hired a 3rd party contractor to assist with the oversight of the reporting of project worksheets, reimbursement request forms, and quarterly reports, that are required to be submitted to the State of Louisiana for the expenditures incurred for repairs resulting from flood damages. The contractor has submitted invoices for their costs of time spent from 2016-2019 to the Police Jury totaling \$1,240,093 in which the Police Jury had paid \$248,111 in previous years. The remaining balance of \$991,982 is being questioned by the Police Jury regarding the validity of these costs. Additionally, it was noted that the Police Jury had not received any additional invoices from the contractor in the 2020 fiscal year end. Therefore, the Police Jury has not recorded a liability at December 31, 2020 for these outstanding invoices.

NOTE 14 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by commercial insurance through the Traveler's Insurance Company. The Police Jury is responsible only for the payment of premiums. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three years.

NOTE 15 - LANDFILL CLOSURE AND POST-CLOSURE CARE COST State and federal laws and regulations requires the Police Jury to place a final cover on its landfill site when it stops receiving waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. In August 1997, the Police Jury entered into a long term lease of the landfill. At this time the Police Jury had completed closure costs on the landfill cells it had used under the terms of the lease, the new operator will be responsible for closure of all landfill cells it utilizes and will also be responsible for all required post-closure activities related to such areas. The closure cost and post-closure cost estimate completed in 2020 was \$5,638,333. Louisiana Department of Environmental Quality (LDEQ) considers the owner of the landfill to be responsible for the closure costs; however the Police Jury has an agreement with the operator to cover their portion of the closure costs. Therefore, no long-term debt due to landfill closure and post closure costs as defined in Governmental Accounting Standard No. 18 has been accrued by the Police Jury. The Police Jury has \$2,000,000 in investments in the General fund, which are committed for any future landfill closure or post-closure costs. Additionally, the landfill operator maintains a surety bond to cover the landfill closure or post-closure costs of \$1,500,000.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan description - The Police Jury provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The Police Jury's OPEB plan is a single-employer defined benefit "substantive plan" as understood by past practices of the Police Jury and its employees. Although no written plan or trust

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

currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Substantially all of the Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. The benefits and similar benefits for active employees are provided through an insurance program, whose monthly premiums are paid jointly by the employee and the Police Jury. The OPEB plan does not issue a stand-alone financial report. Additionally, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided and Funding Policy - The insurance for retired individuals is provided through the Police Jury's group plan, which covers both active and retired members. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. Contribution amounts are approximately 13% retiree/87% employer of the stated costs of healthcare coverage. The retiree pays 100% of any elected dependent medical coverage and for dental and life insurance elected in retirement.

Employees Covered by Benefit Terms - At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit	20
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	48
Total	<u>68</u>

Total OPEB Liability - The Police Jury's total OPEB liability of \$7,214,038 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2020. The OPEB liability will be liquidated by the general fund.

Actuarial Assumptions and Other Inputs - The total OPEB liability for December 31, 2020 in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Individual entry age normal cost - Level percentage of projected salary
Discount rate	2.12% Bond Pay GO-20 bond index
Healthcare trend	Level 4.50% trend rate
Mortality	RPH-2014 total table with projection MP-2020
Turnover	Range from 25% with zero years of service to 1% with twenty plus years of service
Retirement rates	Range from 15% for age 45 to 14% for age 65
Salary increase	3.50%
Retirees' share of benefit-related costs	13%

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

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at January 1, 2020	\$ 7,269,515
Changes for the year:	
Service cost	274,669
Interest	204,726
Difference between expected and actual experience	(137,522)
Changes in assumptions and other inputs	(252,468)
Benefit payments	(144,882)
Net changes	(55,477)
Balance at December 31, 2020	\$ 7,214,038

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate.

	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	\$ 8,750,785	\$ 7,214,038	\$ 6,010,859

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	1% Decrease (3.50%)	Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB liability	\$ 5,935,296	\$ 7,214,038	\$ 9,073,895

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended December 31, 2020, the Police Jury recognized OPEB expense of \$607,584. At December 31, 2020 the Police Jury reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ (120,993)
Changes of assumptions/inputs	1,085,389	(222,123)
Total	\$ 1,085,389	\$ (343,116)

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

Amounts reported as deferred outflows/inflows (net) of resources related to OPEB will be recognized in OPEB expense as follows:

2021	\$ 128,189
2022	128,189
2023	128,189
2024	128,189
2025	128,189
2026+	101,328

NOTE 17 - OPERATING LEASES The Police Jury leases postage machines and printers under noncancelable operating leases. Total costs paid for such leases were \$21,249 for the year ended December 31, 2020. The minimum lease payments for these leases are as follows:

Year Ending December 31,	<u>Amount</u>
2021	\$ 13,065
2022	5,973
2023	1,218

NOTE 18 - FUND BALANCE CLASSIFICATION DETAILS: The following are details of the fund balance classifications as of December 31, 2020.

	<u>General Fund</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Non-spendable:						
Prepaid items	\$ 318,362	\$ 57,662	\$ 155,990	\$ 24,083	\$ 36,001	\$ 592,098
Restricted for:						
Solid waste collection, road and jail	-	949,067	-	-	-	949,067
Road	1,258,036	-	-	-	1,552,288	2,810,324
Library	-	-	3,910,534	-	478,755	4,389,289
Debt Service	-	-	-	-	364	364
Operations & maintenance of courthouse & health unit	-	-	-	725,520	-	725,520
DA salary and benefits	-	-	-	-	39,274	39,274
Criminal court	-	-	-	-	19,632	19,632
Court reporter	-	-	-	-	21,162	21,162
Committed to:						
Solid Waste	-	-	-	-	475,699	475,699
Landfill	2,000,000	-	-	-	-	2,000,000
Unassigned:						
General fund	1,637,222	-	-	-	-	1,637,222
Total	<u>\$ 5,213,620</u>	<u>\$ 1,006,729</u>	<u>\$ 4,066,524</u>	<u>\$ 749,603</u>	<u>\$ 2,623,175</u>	<u>\$ 13,659,651</u>

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

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

NOTE 20 - TAX ABATEMENTS The Police Jury is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry: Industrial Tax Exemption Program (ITEP). Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value.

The amount of tax abatement under this program during the fiscal year ended December 31, 2020 by authorized millage is as follows:

<u>Tax Code</u>	<u>Millage</u>	<u>Assessed Value Lost to ITEP</u>	<u>Estimated Tax Dollar Lost to ITEP</u>
General maintenance	6.40	\$ 17,771,783	\$ 75,543
Library maintenance and operation	12.39	17,771,783	220,192
Courthouse, health unit, and agricultural extension service	2.77	17,771,783	49,228
Road District A construction and maintenance	2.62	15,044,725	39,417
Road District B construction and maintenance	3.95	2,727,066	10,772
			<u>\$ 395,152</u>

NOTE 21 - SUBSEQUENT EVENT On March 11, 2021, the American Rescue Plan Act was signed into Federal law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Funds, which together make up the Coronavirus State and Local Fiscal Recovery Funds. This program is intended to provide support to governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents and businesses. Webster Parish Police Jury received notification of an award of \$7,447,096 for this program and received a partial payment on June 7, 2021 for \$3,723,548.

Webster Parish Police Jury

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REQUIRED SUPPLEMENTARY INFORMATION

Webster Parish Police Jury

**Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Three Years**

Exhibit 1

Total OPEB Liability	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service costs	\$ 274,669	\$ 180,295	\$ 173,194
Interest	204,726	232,528	221,939
Experience (Gain)/Loss	(137,522)	-	-
Changes in assumptions and other inputs	(252,468)	1,435,515	-
Benefit payments	<u>(144,882)</u>	<u>(139,881)</u>	<u>(148,065)</u>
Net change in total OPEB liability	(55,477)	1,708,457	247,068
Total OPEB liability - Beginning	<u>7,269,515</u>	<u>5,561,058</u>	<u>5,313,990</u>
Total OPEB liability - Ending	<u>\$ 7,214,038</u>	<u>\$ 7,269,515</u>	<u>\$ 5,561,058</u>
Covered employee payroll	1,685,592	1,878,614	1,878,614
Total OPEB liability as a percentage of covered employ	427.98%	386.96%	296.02%

Changes of Assumptions

The discount rate used:	2.12%	2.74%	4.10%
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The annual medical trend rate used:	4.50%	5.00%	5.00%
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The mortality projection assumption was updated using the RPH-2014 Total table with Projection using the:	MP-2020 scale	MP-2019 scale	MP-2018 scale
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Notes:

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

No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

Webster Parish Police Jury

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

Exhibit 2-1

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Parochial Employees' Retirement System of Louisiana					
2015	0.507982%	\$ 142,257	\$ 2,831,304	5%	99.15%
2016	0.533967%	1,405,555	3,061,552	46%	92.23%
2017	0.530874%	1,093,342	3,148,370	35%	94.15%
2018	0.520181%	(386,103)	3,201,800	-12%	101.98%
2019	0.535127%	2,375,086	3,265,770	73%	88.86%
2020	0.515972%	24,289	3,271,655	1%	99.89%

Notes:

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

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

Webster Parish Police Jury

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

Exhibit 2-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
Parochial Employees' Retirement System of Louisiana					
2015	\$ 443,925	\$ 443,925	\$ -	\$ 3,061,552	14.50%
2016	409,289	409,289	-	3,148,370	13.00%
2017	400,225	400,225	-	3,201,800	12.50%
2018	375,564	375,564	-	3,265,770	11.50%
2019	376,241	376,241	-	3,271,655	11.50%
2020	409,146	409,146	-	3,339,971	12.25%

Notes:

The amounts presented were determined as of fiscal year end.

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

Webster Parish Police Jury

Notes to the Required Supplementary Information for Pensions December 31, 2020

Change in Assumptions Changes in actuarial assumptions are as follows:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Valuation Date				
Investment Rate of Return (Discount Rate)	6.50%	6.50%	6.75%	7.00%
Inflation Rate	2.40%	2.40%	2.50%	2.50%
Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females with full generational projection using the MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females with full generational projection using the MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.	RP-2000 Healthy Annuitant Sex Distinct Tables (set forward 2 years for males and set forward 1 year for females) projected to 2031 using Scale AA were selected for annuitant and beneficiary mortality. For employees, the RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females was selected. The RP-2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disabled annuitants.	RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA were selected for annuitant and beneficiary mortality. For employees, the RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females was selected. The RP-2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disabled annuitants.
Termination, Disability, Retirement	Projected based on a 5 year (January 1, 2013 - December 31, 2017) experience study	Projected based on a 5 year (January 1, 2013 - December 31, 2017) experience study	Projected based on a 5 year (January 1, 2010 - December 31, 2014) experience study	Projected based on a 5 year (January 1, 2010 - December 31, 2014) experience study
Projected Salary Increases	4.75% (2.35% Merit/2.40% Inflation)	4.75% (2.35% Merit/2.40% Inflation)	5.25% (2.75% Merit/2.50% Inflation)	5.25% (2.75% Merit/2.50% Inflation)
Expected arithmetic nominal return	7.18%	7.43%	7.62%	7.66%

Webster Parish Police Jury
Budgetary Comparison Schedules

General Fund and Any Major Special Revenue Funds With a Legally Adopted Annual Budget

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

SALES TAX FUND - accounts for proceeds and use of sales taxes.

LIBRARY FUND - accounts for the activities performed for the public library. The main source of revenue is ad valorem tax restricted for the library.

SPECIAL 2.5 MILL TAX FUND - accounts for the operation and maintenance of the parish courthouse and health unit. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

WEBSTER PARISH POLICE JURY
GENERAL FUND
Budgetary Comparison Schedule
For the year ended December 31, 2020

Exhibit 3-1

	BUDGETED AMOUNT		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,623,501	\$ 3,623,501	\$ 5,055,388	\$ 1,431,887
Resources (inflows)				
Local sources:				
Taxes:				
Ad Valorem	900,000	964,800	895,766	(69,034)
Licenses and permits	433,750	434,615	433,473	(1,142)
Intergovernmental revenues:				
Federal grants	609,000	714,820	510,739	(204,081)
State funds:				
State revenue sharing	45,000	58,405	48,495	(9,910)
Severance taxes	1,200,000	890,000	900,625	10,625
Other	405,500	358,850	451,267	92,417
Fees, charges, and commissions for services	30,000	30,000	30,015	15
Use of money and property	38,000	54,130	108,285	54,155
Other revenues	320,000	286,700	265,819	(20,881)
Transfers from other funds	200,000	620,000	520,000	(100,000)
	<u>7,804,751</u>	<u>8,035,821</u>	<u>9,219,872</u>	<u>1,184,051</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
Current:				
General government:				
Legislative	223,300	226,652	223,777	2,875
Judicial	606,700	760,415	720,438	39,977
Elections	53,400	50,155	46,279	3,876
Finance and administrative	1,343,100	1,356,047	1,143,520	212,527
Other general government	2,821,266	2,675,311	340,083	2,335,228
Public safety	1,943,370	1,944,170	378,612	1,565,558
Health and welfare	352,090	501,326	509,118	(7,792)
Culture and recreation	23,000	23,000	17,092	5,908
Economic development and assistance	8,500	20,500	16,221	4,279
Capital outlay	15,100	900	27,002	(26,102)
Transfers to other funds	400,000	684,110	584,110	100,000
	<u>7,789,826</u>	<u>8,242,586</u>	<u>4,006,252</u>	<u>4,236,334</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	<u>\$ 14,925</u>	<u>\$ (206,765)</u>	<u>\$ 5,213,620</u>	<u>\$ 5,420,385</u>

WEBSTER PARISH POLICE JURY

**SALES TAX
Budgetary Comparison Schedule
For the year ended December 31, 2020**

Exhibit 3-2

	BUDGETED AMOUNT		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 590,428	\$ 590,428	\$ 957,772	\$ 367,344
Resources (inflows)				
Local sources:				
Taxes:				
Sales and use	3,100,000	3,257,220	3,336,696	79,476
Use of money and property	6,500	6,500	3,878	(2,622)
Other revenues	100,000	100,000	402,902	302,902
Amounts available for appropriations	<u>3,796,928</u>	<u>3,954,148</u>	<u>4,701,248</u>	<u>747,100</u>
Charges to appropriations (outflows)				
Current:				
Public safety	827,500	589,780	825,650	(235,870)
Public works	2,769,428	2,972,638	2,633,028	339,610
Capital outlay	200,000	240,000	235,841	4,159
Total charges to appropriations	<u>3,796,928</u>	<u>3,802,418</u>	<u>3,694,519</u>	<u>107,899</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 151,730</u>	<u>\$ 1,006,729</u>	<u>\$ 854,999</u>

WEBSTER PARISH POLICE JURY

LIBRARY
 Budgetary Comparison Schedule
 For the year ended December 31, 2020

Exhibit 3-3

	BUDGETED AMOUNT		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,271,247	\$ 1,271,247	\$ 4,152,860	\$ 2,881,613
Resources (inflows)				
Local sources:				
Taxes:				
Ad Valorem	3,085,463	2,944,444	3,127,775	183,331
Intergovernmental revenues:				
State funds:				
State revenue sharing	65,000	65,000	67,792	2,792
Fines and forfeitures	25,000	11,000	21,191	10,191
Use of money and property	5,000	16,535	18,410	1,875
Other revenues	6,000	18,862	19,020	158
Amounts available for appropriations	<u>4,457,710</u>	<u>4,327,088</u>	<u>7,407,048</u>	<u>3,079,960</u>
Charges to appropriations (outflows)				
Current:				
Culture and recreation	3,410,725	3,392,103	2,754,316	637,787
Capital outlay	803,000	691,000	342,264	348,736
Debt service:				
Principal retirement	215,000	215,000	-	215,000
Interest and bank charges	28,985	28,985	-	28,985
Transfers to other funds	-	-	243,944	(243,944)
Total charges to appropriations	<u>4,457,710</u>	<u>4,327,088</u>	<u>3,340,524</u>	<u>986,564</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,066,524</u>	<u>\$ 4,066,524</u>

WEBSTER PARISH POLICE JURY
SPECIAL 2.5 MILL TAX
Budgetary Comparison Schedule
For the year ended December 31, 2020

Exhibit 3-4

	<u>BUDGETED AMOUNT</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ 25,121	\$ 25,121	\$ 651,065	\$ 625,944
Resources (inflows)				
Local sources:				
Taxes:				
Ad Valorem	670,000	695,000	699,287	4,287
Intergovernmental revenues:				
State funds:				
State revenue sharing	40,000	40,000	72,593	32,593
Fees, charges, and commissions for services	30,000	30,000	1,230	(28,770)
Use of money and property	1,000	3,300	2,924	(376)
Amounts available for appropriations	<u>766,121</u>	<u>793,421</u>	<u>1,427,099</u>	<u>633,678</u>
Charges to appropriations (outflows)				
Current:				
General government:				
Other general government	149,961	92,731	39,124	53,607
Health and welfare	614,200	659,330	616,842	42,488
Capital outlay	<u>10,000</u>	<u>22,100</u>	<u>21,530</u>	<u>570</u>
Total charges to appropriations	<u>774,161</u>	<u>774,161</u>	<u>677,496</u>	<u>96,665</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ (8,040)</u>	<u>\$ 19,260</u>	<u>\$ 749,603</u>	<u>\$ 730,343</u>

Webster Parish Police Jury

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

A. BUDGETS

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

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

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

For the year ended December 31, 2020, modified accrual basis budgets were adopted for the General fund and all special revenue funds, except the criminal court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

The 2020 budget was amended quarterly. The Police Jury's final amended budget was approved January 5, 2021.

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

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

Webster Parish Police Jury

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

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

<u>Sources/inflows of resources:</u>	<u>General</u>	<u>Sales Tax</u>	<u>Library</u>	<u>Special 2.5 Mill Tax</u>
Actual amounts (budgetary basis) "available for appropriations" from the Budgetary Comparison Schedule	\$ 9,219,872	\$ 4,701,248	\$ 7,407,048	\$ 1,427,099
Adjustment to revenue for transfers in are inflows of budgetary resources but are not revenues for financial statement purposes	(520,000)	-	-	-
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	<u>(5,055,388)</u>	<u>(957,772)</u>	<u>(4,152,860)</u>	<u>(651,065)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 3,644,484</u>	<u>\$ 3,743,476</u>	<u>\$ 3,254,188</u>	<u>\$ 776,034</u>
 <u>Uses/Outflows of resources:</u>				
Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 4,006,252	\$ 3,694,519	\$ 3,340,524	\$ 677,496
Transfers to other funds classified as expenditures for budgetary purposes and as an operating transfer for financial reporting	<u>(584,110)</u>	<u>-</u>	<u>(243,944)</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 3,422,142</u>	<u>\$ 3,694,519</u>	<u>\$ 3,096,580</u>	<u>\$ 677,496</u>

SUPPLEMENTARY INFORMATION

Webster Parish Police Jury

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

Webster Parish Police Jury

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
December 31, 2020

Exhibit 4

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
ASSETS				
Cash and cash equivalents	\$ 1,377,388	\$ 364	\$ 17	\$ 1,377,769
Investments	510,629	-	-	510,629
Receivables	978,370	-	-	978,370
Interfund receivables	3,573	-	-	3,573
Prepaid items	35,981	-	20	36,001
TOTAL ASSETS	2,905,941	364	37	2,906,342
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	159,611	-	-	159,611
Interfund payables	43,460	-	-	43,460
Due to other governments	4,221	-	-	4,221
TOTAL LIABILITIES	207,292	-	-	207,292
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	75,875	-	-	75,875
TOTAL DEFERRED INFLOWS OF RESOURCES	75,875	-	-	75,875
Fund balances:				
Nonspendable - prepaid items	35,981	-	20	36,001
Restricted	2,111,094	364	17	2,111,475
Committed	475,699	-	-	475,699
TOTAL FUND BALANCES	2,622,774	364	37	2,623,175
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,905,941	\$ 364	\$ 37	\$ 2,906,342

WEBSTER PARISH POLICE JURY

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

Exhibit 5

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad Valorem	\$ 791,703	\$ -	\$ -	\$ 791,703
Intergovernmental revenues:				
State funds:				
Parish transportation funds	447,481	-	-	447,481
State revenue sharing	55,169	-	-	55,169
Fees, charges, and commissions for services	99,674	-	-	99,674
Fines and forfeitures	159,979	-	-	159,979
Use of money and property	108,402	4	-	108,406
Other revenues	190,996	-	-	190,996
	<u>1,853,404</u>	<u>4</u>	<u>-</u>	<u>1,853,408</u>
TOTAL REVENUES				
EXPENDITURES				
Current:				
General government:				
Judicial	957,017	-	-	957,017
Public safety	72,259	-	-	72,259
Public works	1,616,495	-	-	1,616,495
Culture and Recreation	-	-	624	624
Capital outlay	51,177	-	-	51,177
Debt service:				
Principal retirement	-	215,000	-	215,000
Interest and bank charges	-	28,944	-	28,944
	<u>2,696,948</u>	<u>243,944</u>	<u>624</u>	<u>2,941,516</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(843,544)</u>	<u>(243,940)</u>	<u>(624)</u>	<u>(1,088,108)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	584,110	243,944	-	828,054
Transfers out	(520,000)	-	-	(520,000)
	<u>64,110</u>	<u>243,944</u>	<u>-</u>	<u>308,054</u>
TOTAL OTHER FINANCING SOURCES (USES)				
NET CHANGE IN FUND BALANCES	(779,434)	4	(624)	(780,054)
FUND BALANCES - BEGINNING	<u>3,402,208</u>	<u>360</u>	<u>661</u>	<u>3,403,229</u>
FUND BALANCES - ENDING	<u>\$ 2,622,774</u>	<u>\$ 364</u>	<u>\$ 37</u>	<u>\$ 2,623,175</u>

Webster Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

PARISH ROAD FUND The Parish Road Fund accounts for the construction and maintenance of the parish roads and bridges. Financing is provided primarily by the Parish Transportation funds and from the sale of surplus property.

ROAD DISTRICT MAINTENANCE FUNDS The Road District Maintenance funds (A & B) account for the operations and maintenance of District A and B roads and bridges. Financing is provided by a special annual property tax levy, state revenue sharing funds, and interest on time deposits.

SOLID WASTE FUND The Solid Waste fund accounts for the receipt of tipping fees for use of the landfill and the operation of the solid waste fund.

SPECIAL LIBRARY FUND The Special Library fund accounts for the receipt of proceeds of the use of the library's copy machines and other equipment and property rentals. The revenues are to be used for the purpose of the purchase of capital equipment and property improvements for the Webster Parish Library System.

DA ASSET FORFEITURE FUND Authorized by the Webster Parish District Attorney for supplemental payroll reimbursement under Title 46:2400 eq. seq. The revenues are considered deemed contraband (drug money and drug vehicles) forfeited in accordance with the applicable state laws. Its primary activity is to provide additional revenues for payroll purposes.

CRIMINAL COURT FUND The Criminal Court fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district accounts and district attorney's conviction fees in criminal cases, be transferred to the parish treasurer and deposited in a special "Criminal Court Fund" account to be used for the expense of the criminal court of the parish. Expenditures shall be made from the fund on motion of the district attorney and approval of the district judge.

The statute also required that one-half of the surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General fund.

COURT REPORTER FUND The Court Reporter fund accounts for the operations of the court reporter for the district court. Financing is provided primarily by fees.

WEBSTER PARISH POLICE JURY
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
December 31, 2020

	<u>PARISH ROAD</u>	<u>ROAD DISTRICT A</u>	<u>ROAD DISTRICT B</u>	<u>SOLID WASTE</u>
ASSETS				
Cash and cash equivalents	\$ 514,707	\$ 139,321	\$ 211,190	\$ 13,381
Investments	-	-	-	510,629
Receivables	33,506	423,543	407,887	4,325
Interfund receivables	-	-	-	-
Prepaid items	-	-	-	13,510
TOTAL ASSETS	<u>548,213</u>	<u>562,864</u>	<u>619,077</u>	<u>541,845</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	57,500	26,270	18,238	52,636
Interfund payables	-	-	-	-
Due to other governments	-	-	-	-
TOTAL LIABILITIES	<u>57,500</u>	<u>26,270</u>	<u>18,238</u>	<u>52,636</u>
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	-	59,852	16,023	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>59,852</u>	<u>16,023</u>	<u>-</u>
Fund balances:				
Nonspendable - prepaid items	-	-	-	13,510
Restricted	490,713	476,742	584,816	-
Committed	-	-	-	475,699
TOTAL FUND BALANCES	<u>490,713</u>	<u>476,742</u>	<u>584,816</u>	<u>489,209</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 548,213</u>	<u>\$ 562,864</u>	<u>\$ 619,077</u>	<u>\$ 541,845</u>

Exhibit 6

<u>SPECIAL LIBRARY</u>	<u>DA ASSET FORFEITURE</u>	<u>CRIMINAL COURT</u>	<u>COURT REPORTER</u>	<u>TOTAL</u>
\$ 478,755	\$ -	\$ -	\$ 20,034	\$ 1,377,388
-	-	-	-	510,629
-	65,563	42,418	1,128	978,370
-	3,573	-	-	3,573
-	-	22,471	-	35,981
<u>478,755</u>	<u>69,136</u>	<u>64,889</u>	<u>21,162</u>	<u>2,905,941</u>
-	-	4,967	-	159,611
-	29,862	13,598	-	43,460
-	-	4,221	-	4,221
-	29,862	22,786	-	207,292
-	-	-	-	75,875
-	-	-	-	75,875
-	-	22,471	-	35,981
478,755	39,274	19,632	21,162	2,111,094
-	-	-	-	475,699
<u>478,755</u>	<u>39,274</u>	<u>42,103</u>	<u>21,162</u>	<u>2,622,774</u>
<u>\$ 478,755</u>	<u>\$ 69,136</u>	<u>\$ 64,889</u>	<u>\$ 21,162</u>	<u>\$ 2,905,941</u>

WEBSTER PARISH POLICE JURY

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

	PARISH ROAD	ROAD DISTRICT A	ROAD DISTRICT B	SOLID WASTE
REVENUES				
Local sources:				
Taxes:				
Ad Valorem	\$ -	\$ 394,586	\$ 397,117	\$ -
Intergovernmental revenues:				
State funds:				
Parish transportation funds	447,481	-	-	-
State revenue sharing	-	31,928	23,241	-
Fees, charges, and commissions for services	27,254	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	3,805	1,749	5,240	94,209
Other revenues	10	105	-	-
	478,550	428,368	425,598	94,209
TOTAL REVENUES				
EXPENDITURES				
Current:				
General government:				
Judicial	-	-	-	-
Public safety	-	-	-	72,259
Public works	444,413	268,857	784,439	118,786
Capital outlay	19,620	-	-	-
	464,033	268,857	784,439	191,045
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,517	159,511	(358,841)	(96,836)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(520,000)
	-	-	-	(520,000)
TOTAL OTHER FINANCING SOURCES (USES)				
NET CHANGE IN FUND BALANCES	14,517	159,511	(358,841)	(616,836)
FUND BALANCES - BEGINNING	476,196	317,231	943,657	1,106,045
FUND BALANCES - ENDING	\$ 490,713	\$ 476,742	\$ 584,816	\$ 489,209

Exhibit 7

<u>SPECIAL LIBRARY</u>	<u>DA ASSET FORFEITURE</u>	<u>CRIMINAL COURT</u>	<u>COURT REPORTER</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ 791,703
-	-	-	-	447,481
-	-	-	-	55,169
27,768	-	30,042	14,610	99,674
23	3,747	156,209	-	159,979
3,278	-	-	121	108,402
-	65,441	125,440	-	190,996
<u>31,069</u>	<u>69,188</u>	<u>311,691</u>	<u>14,731</u>	<u>1,853,404</u>
-	45,878	900,788	10,351	957,017
-	-	-	-	72,259
-	-	-	-	1,616,495
<u>31,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,177</u>
<u>31,557</u>	<u>45,878</u>	<u>900,788</u>	<u>10,351</u>	<u>2,696,948</u>
<u>(488)</u>	<u>23,310</u>	<u>(589,097)</u>	<u>4,380</u>	<u>(843,544)</u>
-	-	584,110	-	584,110
-	-	-	-	(520,000)
-	-	584,110	-	64,110
(488)	23,310	(4,987)	4,380	(779,434)
<u>479,243</u>	<u>15,964</u>	<u>47,090</u>	<u>16,782</u>	<u>3,402,208</u>
<u>\$ 478,755</u>	<u>\$ 39,274</u>	<u>\$ 42,103</u>	<u>\$ 21,162</u>	<u>\$ 2,622,774</u>

Webster Parish Police Jury

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

Exhibit 8

COMPENSATION PAID POLICE JURORS The schedule of compensation paid to Police Jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Police Jurors is included in the legislative expenditures of the General fund.

Jim Bonsall, President	\$	19,200
Vera Davison, Vice President		14,400
Bruce Blanton		14,400
Allen Gilbert		14,400
Daniel Thomas		14,400
Randy Thomas		14,400
Bernard Hudson		14,400
Steve Lemmons		14,400
Nick Cox		14,400
Beverly Kennon		14,400
Steve Ramsey		14,400
Benjamin Jordan		14,400
Total	\$	<u>177,600</u>

Webster Parish Police Jury

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

Exhibit 9

Agency Head Name: Ronda Carnahan, Secretary-Treasurer

January 1, 2020 - June 30, 2020

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 52,430
Benefits-insurance	8,002
Benefits-retirement	6,079
Benefits-medicare	1,122
Cell phone	389

Agency Head Name: Lisa Balkom, Secretary-Treasurer

July 1, 2020 - December 31, 2020

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 28,880
Benefits-insurance	7,524
Benefits-retirement	4,794
Benefits-medicare	567
Cell phone	222

Webster Parish Police Jury
Schedules of Justice System Funding
For the Year Ended December 31, 2020

Exhibit 10

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Cash Basis Presentation	First Six Month Period Ended 06/30/2020	Second Six Month Period Ended 12/31/2020
Receipts From:		
<i>Clerk of Court - Civil Fees</i>	\$ 3,303	\$ 5,111
<i>Webster Parish Sheriff's Office - Criminal Court Costs/Fees</i>	5,518	5,510
<i>Louisiana Department of Public Safety & Corrections - Criminal Court Costs/Fees</i>	1,238	700
<i>Webster Parish Sheriff's Office - Criminal Fines - Other</i>	83,266	79,568
<i>Bossier Parish Policy Jury - Service/Collection Fees</i>	35	-
<i>Webster Parish Sheriff's Office - Other</i>	<u>6,403</u>	<u>6,206</u>
Total Receipts	<u><u>\$ 99,763</u></u>	<u><u>\$ 97,095</u></u>

Webster Parish Police Jury
Schedules of Justice System Funding
For the Year Ended December 31, 2020

Exhibit 11

Justice System Funding Schedule - Collecting/Disbursing Entity

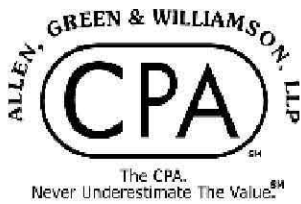
As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 06/30/2020	Second Six Month Period Ended 12/31/2020
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 53,892	\$ 70,309
Add: Collections		
Bond Fees	-	9,630
Asset Forfeiture/Sale	17,542	9,673
Subtotal Collections	17,542	19,303
Less: Disbursements To Governments & Nonprofits:		
<i>Minden Police Department - Asset Forfeiture/Sale</i>	-	209
<i>Minden District Probation and Parole - Asset Forfeiture/Sale</i>	180	-
<i>Webster Parish Sheriff's Office - Asset Forfeiture/Sale</i>	428	633
<i>Indigent Defender Board - Asset Forfeiture/Sale</i>	-	506
<i>Louisiana District Attorney's Association - Asset Forfeiture/Sale</i>	11	104
<i>Webster Parish Clerk of Court - Asset Forfeiture/Sale</i>	100	50
<i>Louisiana State Police - Asset Forfeiture/Sale</i>	-	5,910
Less: Amounts Retained by Collecting Agency		
<i>Webster Parish Police Jury - District Attorney Fund - Asset Forfeiture/Sale</i>	203	2,799
<i>Webster Parish Police Jury - Criminal Court Fund - Asset Forfeiture/Sale</i>	203	2,673
Subtotal Disbursements/Retainage	1,125	12,884
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 70,309	\$ 76,728

Webster Parish Police Jury

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**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**



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Jennie Henry, CPA, CFE

Tax Manager: Eddi Hernandez, CPA

In-Charges: Crystal Patterson, CPA
Mallory Stone, CPA

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

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Police Jurors
Webster Parish Police Jury
Minden, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Webster Parish Police Jury as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated June 30, 2021. We issued an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information.

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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2020-001.

Police Jury's Response to Finding

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

Purpose of this Report

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

June 30, 2021

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

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information.
- ii. There were no significant deficiencies required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America.
- iii. There was one instance of noncompliance, as defined by the *Government Auditing Standards*, to the basic financial statements.

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

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

Reference # and Title: **2020-001** **Adopted Budget Deficit**

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

Criteria or specific requirement: Louisiana Revised Statute 39:1309 requires the adopted budget to be balanced, in which the approved expenditures not exceeding the total of estimated funds available.

Condition found: For fiscal year ended December 31, 2020, the Police Jury had two funds, the General Fund and Special 2.5 Mill Tax fund, that had approved budgets with expenditures exceeding the estimated funds available. It was noted, however, the actual expenditures did not exceed actual funds available for the fiscal year end.

Context: The Police Jury has approximately twelve budgets or more that are adopted annually.

Cause: The Police Jury budgets contingency expenditures to zero out ending estimated funds available, that were not calculated correctly.

Effect: The Police Jury appears to not have met State budgeting requirements.

Recommendation to prevent future occurrences: The Police Jury should strengthen the procedures over the budget to ensure contingency amounts added to the budget do not cause the approved budget to reflect deficit spending.

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

View of responsible official: This was my first year as Secretary-Treasurer of the Webster Parish Police Jury. This was my first year to go through the budget and amendment process. When budgeting for 2020 and 2021 due to my oversight, I mistakenly left contingency expenditures in the original budget and it exceeded the budget amount for the year. I did not consider amending the expense in contingency for 2020 and 2021. I am aware of the requirements now and will be taking steps to focus on making corrections to ensure the budget won't be in a deficit at year end.

OTHER INFORMATION



Webster Parish Police Jury

P.O. Box 389 Minden, Louisiana 71058-0389

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www.websterparishla.org

Corrective Action Plan for Current Year Findings and Responses

OFFICERS:
Jim Bonsall
President

Nick Cox
Vice-President

Lisa C. Balkom
Secretary-Treasurer

Alicia Owens
Asst. Secretary
Treasurer

MEMBERS:
Bruce Blanton
District #1

Allen Gilbert
District #2

Daniel Thomas
District #3

Randy Thomas
District #4

Bernard Hudson
District #5

Jim Bonsall
District #6

Steve Lemmons
District #7

Nick Cox
District #8

Beverly Kennon
District #9

Vera Davison
District #10

Steve Ramsey
District #11

Benjamin Jordan
District #12

Reference # and Title: 2020-001 Adopted Budget Deficit

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

Condition:

Louisiana Revised Statute 39:1309 requires the adopted budget to be balanced, in which the approved expenditures not exceeding the total of estimated funds available.

For fiscal year ended December 31, 2020, the Police Jury had two funds, the General Fund and Special 2.5 Mill Tax fund, that had approved budgets with expenditures exceeding the estimated funds available. It was noted however, the actual expenditures did not exceed actual funds available for the fiscal year end.

Corrective action planned:

This was my first year as Secretary-Treasurer of the Webster Parish Police Jury. This was my first year to go through the budget and amendment process. When budgeting for 2020 and 2021 due to my oversight, I mistakenly left contingency expenditures in the original budget and it exceeded the budget amount for the year. I did not consider amending the expense in contingency for 2020 and 2021. I am aware of the requirements now and will be taking steps to focus on making corrections to ensure the budget won't be in a deficit at year end.

Person responsible for corrective action:

Lisa Balkom, Secretary - Treasurer Telephone: (318) 377-7564
Webster Parish Police Jury Fax: (318) 371-2366
P. O. Box 389
Minden, Louisiana 71058-0389

Anticipated completion date:

July 2021

Respectfully,


Lisa Balkom, Secretary-Treasurer