

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

FINANCIAL REPORT

December 31, 2019

**HILL, INZINA & COMPANY**

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# HILL, INZINA & COMPANY

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## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Police Jurors  
Richland Parish Police Jury  
Rayville, 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 Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements of the 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Jury'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 Jury's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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

#### Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Jury as of December 31, 2019, or the changes in financial position thereof for the year then ended.

#### Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate fund information of the Jury as of December 31, 2019, and the changes in financial position thereof for the year then ended in accordance with accounting principles 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 Jury as of December 31, 2019, 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.

## Other Matters

### Required Supplementary Information

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

### Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Jury's primary government. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2020, on our consideration of the Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jury's internal control over financial reporting and compliance.

/s/ *Hill, Inzina & Co.*

September 11, 2020

REQUIRED SUPPLEMENTARY INFORMATION (Part 1 of 2)



## RICHLAND PARISH POLICE JURY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the Year Ended December 31, 2019

As management of Richland Parish Police Jury (the "Jury"), we offer readers of the financial statements of the Jury's primary government this narrative overview and analysis of the financial activities of the Jury for the fiscal year ended December 31, 2019. This discussion and analysis of management is designed to provide an objective and easy-to-read analysis of the Jury's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Jury's finances. It is also intended to provide readers with an analysis of the short-term and long-term activities of the Jury based on information presented in the financial report and fiscal policies that have been adopted by the Jury. Specifically, this section is designed to assist the readers in focusing on significant financial issues, provide an overview of the Jury's financial activity, identify changes in the Jury's financial position (its ability to address the next and subsequent years' challenges), identify any material deviations from the financial plan (the approved budget), and identify individual issues or concerns of individual funds.

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

#### Overview of the Financial Statements

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

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

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

#### 1. Government-wide financial statements

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

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

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

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

## 2. Fund financial statements

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

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

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

### 3. Notes to financial statements

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

#### Government-Wide Financial Analysis

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

	<u>2019</u>	<u>2018</u>
Other assets	\$ 8,626,338	\$ 8,911,202
Capital assets	<u>5,128,781</u>	<u>5,105,849</u>
Total assets	<u>\$ 13,755,119</u>	<u>\$ 14,017,051</u>
Deferred outflows of resources	<u>\$ 1,438,464</u>	<u>\$ 592,972</u>
Other liabilities	<u>\$ 2,128,147</u>	<u>\$ 640,940</u>
Deferred inflows of resources	<u>\$ 2,455,420</u>	<u>\$ 3,555,410</u>
Net position:		
Net investment in capital assets	\$ 5,128,781	\$ 5,105,849
Restricted for special revenue	4,670,598	4,494,615
Unrestricted	<u>810,637</u>	<u>813,209</u>
Total net position	<u>\$ 10,610,016</u>	<u>\$ 10,413,673</u>

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

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

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for services	\$ 344,080	\$ 1,562,617
Operating grants and contributions	364,557	178,833
General revenues:		
Taxes	7,403,720	7,294,622
Intergovernmental	541,574	700,049
Unrestricted investment earnings and miscellaneous	247,564	49,581
Total revenues	<u>\$ 8,901,495</u>	<u>\$ 8,044,252</u>
Expenses:		
General government	\$ 1,433,785	\$ 1,323,166
Public safety	345,361	363,550
Public works	5,342,989	7,054,200
Health and welfare	381,513	337,436
Culture and recreation	1,065,962	977,289
Economic development and assistance	177,774	-
Economic development and assistance	11,718	-
Total expenses	<u>\$ 8,759,102</u>	<u>\$ 10,070,446</u>
Change in net position	\$ 142,393	\$( 284,744)
Net position - beginning	<u>10,467,623</u>	<u>10,698,417</u>
Net position - ending	<u>\$ 10,610,016</u>	<u>\$ 10,413,673</u>

The Jury's total revenues increased by \$857,243 while expenditures decreased by \$1,311,344. The largest decrease in expenditures was approximately \$1,300,000 for road repairs that were reimbursed by a pipeline company in the year ended December 31, 2018.

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

General government and public works were the Jury's largest expenses for both years with both also having significant tax-based (general revenue) funding.

## Financial Analysis of Governmental Funds

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

	<u>2019</u>	<u>2018</u>
General	\$ 925,208	\$ 863,818
Road Maintenance	482,204	384,920
Drainage Maintenance	268,762	349,666
Health Unit	806,352	767,924
Library	3,545,235	3,076,759

Determination of the Jury's major governmental funds are made for each audit period. The majority of the fund balances of the governmental funds as of December 31, 2019 was restricted for special revenue.

### Budgetary Highlights

Budgets for all required funds were adopted for the year ended December 31, 2019 which complied with financial policies approved by the jurors and maintained core Jury services. There were no unfavorable budget variances exceeding 5% or more in the major funds for the year ended December 31, 2019.

### Capital Assets and Debt Administration

The Jury's capital asset additions during the current fiscal year costing \$275,302 were all purchased with available funds while \$56,090 was expended using bond proceeds on the annex building construction project that was completed during the year ended December 31, 2019. Depreciation of capital assets of \$358,045 for the year ended December 31, 2019 was recorded in the governmental activities of the government-wide financial statements.

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

### Next Year's Budget

As adopted, the 2020 original combined budget totaled \$12,574,169 compared to the 2019 original budget of \$14,301,776.

### Requests for Information

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

BASIC FINANCIAL STATEMENTS

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

STATEMENT OF NET POSITION - PRIMARY GOVERNMENT -  
GOVERNMENTAL ACTIVITIES  
December 31 , 2019

ASSETS	
Cash	\$ 4,727,377
Certificate of deposit	1,529,000
Receivables	2,369,961
Capital assets:	
Land	311,523
Other capital assets, net of depreciation	<u>4,817,258</u>
Total assets	<u>\$ 13,755,119</u>
DEFERRED OUTFLOWS OF RESOURCES	
Resources related to pension	<u>\$ 1,438,464</u>
LIABILITIES	
Accounts payable	\$ 142,357
Payroll accruals and withholding	15,077
Net pension	1,632,380
Long-term liabilities:	
Due in one year	23,333
Due in more than one year	<u>315,000</u>
Total liabilities	<u>\$ 2,128,147</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes	\$ 2,355,519
Resources related to pensions	<u>99,901</u>
Total deferred inflows of resources	<u>\$ 2,455,420</u>
NET POSITION	
Net investment in capital assets	\$ 5,128,781
Restricted for special revenue	4,670,598
Unrestricted	<u>810,637</u>
Total net position	<u>\$ 10,610,016</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

STATEMENT OF ACTIVITIES - PRIMARY GOVERNMENT -  
GOVERNMENTAL ACTIVITIES

For the Year Ended December 31, 2019

		<u>Program Revenues</u>			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>	
Functions/Programs:					
Current:					
General government:					
Legislative	\$ 261,827	\$ -	\$ -	\$ ( 261,827)	
Judicial	101,341	50,460	-	( 50,881)	
Elections	67,903	-	-	( 67,903)	
Finance and administrative	554,277	207,001	-	( 347,276)	
Other	448,437	192	-	( 448,245)	
Public safety	345,361	14,991	-	( 330,370)	
Public works	5,342,989	52,901	-	( 5,290,088)	
Health and welfare	381,513	-	-	( 381,513)	
Culture and recreation	1,065,962	18,535	-	( 1,047,427)	
Economic development and assistance	177,774	-	364,557	186,783	
Debt service interest	11,718	-	-	( 11,718)	
Total governmental activities	\$ 8,759,102	\$ 344,080	\$ 364,557	\$ ( 8,050,465)	
		General revenues:			
				\$ 7,403,720	
				541,574	
				247,564	
				\$ 8,192,858	
				\$ 142,393	
				10,467,623	
				\$ 10,610,016	

See notes to financial statements.



RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUNDS  
December 31, 2019

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
ASSETS			
Cash	\$ 461,906	\$ 531,988	\$ 259,834
Certificate of deposit	500,000	-	-
Receivables	1,174,584	23,882	-
Due from other funds	<u>-</u>	<u>1,150</u>	<u>12,516</u>
 Total assets	 <u>\$ 2,136,490</u>	 <u>\$ 557,020</u>	 <u>\$ 272,350</u>
LIABILITIES			
Accounts payable	\$ 49,260	\$ 62,300	\$ 3,588
Payroll accruals and withholdings	15,077	-	-
Due to other funds	<u>-</u>	<u>12,516</u>	<u>-</u>
Total liabilities	<u>\$ 64,337</u>	<u>\$ 74,816</u>	<u>\$ 3,588</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	<u>\$ 1,146,945</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE			
Restricted for special revenue	\$ -	\$ 482,204	\$ 268,762
Unassigned	<u>925,208</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 925,208</u>	<u>\$ 482,204</u>	<u>\$ 268,762</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 2,136,490</u>	 <u>\$ 557,020</u>	 <u>\$ 272,350</u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 823,741	\$ 2,559,124	\$ 90,784	\$ 4,727,377
-	1,029,000	-	1,529,000
240,288	928,300	2,907	2,369,961
<u>-</u>	<u>-</u>	<u>-</u>	<u>13,666</u>
<u>\$ 1,064,029</u>	<u>\$ 4,516,424</u>	<u>\$ 93,691</u>	<u>\$ 8,640,004</u>
\$ 9,167	\$ 11,125	\$ 6,917	\$ 142,357
-	-	-	15,077
<u>-</u>	<u>-</u>	<u>1,150</u>	<u>13,666</u>
<u>\$ 9,167</u>	<u>\$ 11,125</u>	<u>\$ 8,067</u>	<u>\$ 171,100</u>
<u>\$ 248,510</u>	<u>\$ 960,064</u>	<u>\$ -</u>	<u>\$ 2,355,519</u>
\$ 806,352	\$ 3,545,235	\$ 85,624	\$ 5,188,177
<u>-</u>	<u>-</u>	<u>-</u>	<u>925,208</u>
<u>\$ 806,352</u>	<u>\$ 3,545,235</u>	<u>\$ 85,624</u>	<u>\$ 6,113,385</u>
<u>\$ 1,064,029</u>	<u>\$ 4,516,424</u>	<u>\$ 93,691</u>	<u>\$ 8,640,004</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
<b>Revenues:</b>			
Taxes	\$ 1,161,278	\$ 2,807,686	\$ 1,464,880
Licenses and permits	181,734	-	-
Intergovernmental	551,389	300,258	-
Fees, charges, and commissions for services	35,401	52,555	346
Fines and forfeitures	4,857	-	-
Interest and miscellaneous	55,739	40,131	6,721
Total revenues	<u>\$ 1,990,398</u>	<u>\$ 3,200,630</u>	<u>\$ 1,471,947</u>
<b>Expenditures:</b>			
Current:			
General government:			
Legislative	\$ 258,156	\$ -	\$ -
Judicial	95,903	-	-
Elections	60,093	-	-
Finance and administrative	510,324	-	-
Other	71,374	-	-
Public safety	338,936	-	-
Public works	-	3,327,350	1,547,771
Health and welfare	98,244	-	-
Culture and recreation	-	-	-
Economic development and assistance	177,774	-	-
Debt service	-	-	-
Capital outlay	-	6,000	-
Total expenditures	<u>\$ 1,610,804</u>	<u>\$ 3,333,350</u>	<u>\$ 1,547,771</u>

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 247,524	\$ 1,417,169	\$ 305,183	\$ 7,403,720
-	-	-	181,734
11,587	42,897	-	906,131
-	15,756	-	104,058
-	2,779	50,652	58,288
<u>21,811</u>	<u>92,775</u>	<u>2,282</u>	<u>219,459</u>
<u>\$ 280,922</u>	<u>\$ 1,571,376</u>	<u>\$ 358,117</u>	<u>\$ 8,873,390</u>

\$ -	\$ -	\$ -	\$ 258,156
-	-	250	96,153
-	-	-	60,093
-	-	-	510,324
-	-	329,539	400,913
-	-	-	338,936
-	-	-	4,875,121
242,493	-	-	340,737
-	928,291	-	928,291
-	-	-	177,774
-	-	23,385	23,385
-	<u>174,609</u>	<u>150,783</u>	<u>331,392</u>
<u>\$ 242,493</u>	<u>\$ 1,102,900</u>	<u>\$ 503,957</u>	<u>\$ 8,341,275</u>

(continued)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS (Continued)

For the Year Ended December 31, 2019

	<u>General</u>	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>
Excess (deficiency) of revenues over expenditures	\$ 379,594	\$( 132,720)	\$( 75,824)
Other financing sources (uses):			
Operating transfers in (out)	<u>(318,205)</u>	<u>227,135</u>	<u>-</u>
Net changes in fund balances	\$ 61,389	\$ 94,415	\$( 75,824)
Fund balances - beginning	<u>863,819</u>	<u>387,789</u>	<u>344,586</u>
Fund balances - ending	<u>\$ 925,208</u>	<u>\$ 482,204</u>	<u>\$ 268,762</u>

See notes to financial statements.

<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 38,429	\$ 468,476	\$ ( 145,840)	\$ 532,115
<u>-</u>	<u>-</u>	<u>91,070</u>	<u>-</u>
\$ 38,429	\$ 468,476	\$ ( 54,770)	\$ 532,115
<u>767,923</u>	<u>3,076,759</u>	<u>140,394</u>	<u>5,581,270</u>
<u>\$ 806,352</u>	<u>\$ 3,545,235</u>	<u>\$ 85,624</u>	<u>\$ 6,113,385</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION  
December 31, 2019

Total fund balances - governmental funds balance sheet	\$ 6,113,385
Amounts reported for governmental activities in statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,128,781
Net pension liability does not require the use of current financial resources and therefore is not reported in the funds.	( 1,632,380)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	( 338,333)
Net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>1,338,563</u>
Total net position of governmental activities - government-wide statement of net position	<u>\$ 10,610,016</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
December 31, 2019

Net changes in fund balances - governmental funds	\$ 532,115
Amounts reported for governmental activities in statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$358,045) exceeded capital outlay (\$331,392) in the current period.	( 26,653)
Proportionate share of non-employer contributions to pension plans do not provide current financial resources and are not reported as revenue in the governmental funds.	28,105
Long-term debt principal payments are reported as current expenditures in the governmental funds while reported as decreases in debt in the statement of net position.	11,667
Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the proportionate share of the plans' pension expense is reported as such.	<u>( 402,841)</u>
Changes in net position of governmental activities - government-wide statement of activities	<u>\$ 142,393</u>

See notes to financial statements.



RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

Note 1. Organization and Summary of Significant Accounting Policies

Richland Parish Police Jury (the "Jury") is the governing authority for Richland Parish and is a political subdivision of State of Louisiana. The Jury is governed by nine compensated jurors representing, by election, the various districts within the parish. The jurors served four-year terms that expired on December 31, 2019.

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

The parish is located in northeast Louisiana and its population is 20,725. Approximately 575 miles of roads are maintained by the parish. The Jury employs approximately 100 people.

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

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

Financial Reporting Entity:

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

NOTES TO FINANCIAL STATEMENTS

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be considered part of the Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

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

### Government-Wide Financial Statements:

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

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

## NOTES TO FINANCIAL STATEMENTS

### Fund Financial Statements:

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

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

### Fund Types and Major Funds:

The Jury reports the following major governmental funds:

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

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

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

Health Unit Fund - maintaining the public health unit.

Library Fund - maintaining the public libraries.

### Budgets and Budgetary Accounting:

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

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

## NOTES TO FINANCIAL STATEMENTS

The Jury adopted annual budgets for all of the governmental funds on December 3, 2018. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. All budget amendments were approved by the Jury. The budgetary comparison schedules included in the accompanying financial statements include the original and final adopted budgets. Amending the budgets to actual cash amounts at each December 31 is the common practice of the Jury and such was approved by the Jury on December 2, 2019. All annual appropriations lapse at fiscal year end.

### Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Certificate of Deposit:

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

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

### Receivables:

Significant receivables include property tax revenues.

### Uncollectible Allowance:

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

## NOTES TO FINANCIAL STATEMENTS

### Interfund Transactions:

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

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

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

### Capital Assets and Depreciation:

Capital assets, which include property, plant, and equipment, with useful lives of more than one year, are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are stated at fair value on the date of donation. The Jury generally capitalizes individual infrastructure assets with cost of \$100,000 or more and all other assets with cost of \$2,500 or more as purchase and construction outlays occur.

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

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

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

## NOTES TO FINANCIAL STATEMENTS

### Accumulated Compensated Absences:

Effective January 1, 2011, the Jury changed its annual leave policy for all employees except for those of the Library. Employees no longer accumulate annual leave and sick pay but earn paid time off depending on the length of their employment. Annual leave accumulated by employees, if any, as of December 31<sup>st</sup> of each year will be paid to the employees or credited to years of service at retirement; therefore, no liability for accumulated compensated absences was recorded in the government-wide financial statements.

In December 2019, the Jury approved no longer paying out at year end any unused “paid time off”. Employees will either use their time during the year or forfeit any remaining time at each year’s end. This change became effective after the payment of the unused time earned in 2019.

Employees of the Library earn from ten to 20 days of annual leave each anniversary year of employment, depending upon professional status. Up to 10 days of annual leave may be accumulated, depending upon professional status. Upon termination of employment, employees may be paid for accumulated annual leave at their current rate of pay. Employees earn 12 days of sick leave each year and may accumulate up to 30 days. Employees are not paid for nonvesting accumulated sick leave upon termination of employment.

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

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

1. The employees’ rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

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

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



## NOTES TO FINANCIAL STATEMENTS

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

Estimated accrued compensated absences, in an amount considered immaterial, resulting from unused annual leave for employees of the Library at the end of the fiscal year are not recorded in the government-wide financial statements. Compensated absences are paid from the fund responsible for the employee's compensation.

No liability has been recorded in the government-wide or fund financial statements for the immaterial amount of accrued salaries earned by the employees of the Jury as of December 31, 2019.

### Pension:

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

### Deferred Inflows/Outflows of Resources:

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

## NOTES TO FINANCIAL STATEMENTS

### Equity Classifications:

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

### Revenue Recognition - Property and Sales/Use Taxes:

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

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

### Note 2. Deposits with Financial Institutions

The following is a summary of cash (book balances) held by the Jury as of December 31, 2019:

Interest bearing demand deposits	\$ 4,712,555
Non-interest bearing demand deposits	14,652
Petty cash	<u>170</u>
	<u>\$ 4,727,377</u>

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

As of December 31, 2019, the Jury had \$6,241,100 in deposits (collected bank balances). These deposits were secured from risk by \$750,000 of federal deposit insurance and \$5,491,100 of pledged securities held by the counterparty's trust department or agent in the Jury's name.

There were no repurchase or reverse repurchase agreements as of December 31, 2019. The Jury has formally adopted deposit and investment policies that limit the Jury's allowable deposits or investments and address the specific types of risk to which the Jury is exposed.

NOTES TO FINANCIAL STATEMENTS

Note 3. Receivables

A summary of receivables as of December 31, 2019 is as follows:

	<u>General</u>	<u>Road Maintenance</u>	<u>Health Unit</u>	<u>Library</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Property taxes	\$ 1,111,365	\$ -	\$ 240,288	\$ 928,300	\$ -	\$ 2,279,953
Franchise fees	1,128	-				1,128
Licenses and permits	19,989	-	-	-	-	19,989
Intergovernmental:						
Beer taxes	1,893	-	-	-	-	1,893
Parish Transportation Act	-	23,882	-	-	-	23,882
Severance taxes	16,043	-	-	-	-	16,043
State and federal grants	10,828	-	-	-	-	10,828
Other	201	-	-	-	-	201
Fees, charges, and commissions for services	1,848	-	-	-	-	1,848
Fines and forfeitures	209	-	-	-	2,907	3,116
Interest and miscellaneous	11,080	-	-	-	-	11,080
	<u>\$ 1,174,584</u>	<u>\$ 23,882</u>	<u>\$ 240,288</u>	<u>\$ 928,300</u>	<u>\$ 2,907</u>	<u>\$ 2,369,961</u>

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NOTES TO FINANCIAL STATEMENTS

Note 4. Taxes

The following is a summary of authorized and levied property taxes for the year ended December 31, 2019:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General corporate purposes	6.00	8.88	Perpetual
Health unit	1.17	1.17	2028
Library	4.52	4.52	2028

Total property taxes levied were \$2,355,519 for the above millages. As of December 31, 2019, property taxes receivable was \$2,279,953.

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

<u>Taxpayer</u>	<u>Total Assessed Valuation</u>
Southeast Supply Header	\$ 15,438,160
ETC Tiger Pipeline, LLC	9,508,890
Densbury Onshore, LLC	7,803,120
ETC Tiger Pipeline, LLC	5,946,150
Midcontinent Express Pipeline, LLC	5,696,710

For the year ended December 31, 2019, sales taxes that expire on December 31, 2024 were levied as follows:

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

NOTES TO FINANCIAL STATEMENTS

Note 5. Capital Assets and Depreciation

Capital assets and depreciation activity as of and for the year ended December 31, 2019 for the governmental activities is as follows:

	Balance - January 1, <u>2018</u>	<u>Additions</u>	Reclassi- fications/ <u>Deletions</u>	Balance - December 31, <u>2018</u>
Capital assets not being depreciated:				
Land	\$ 311,523	\$ -	\$ -	\$ 311,523
Construction in progress	<u>293,910</u>	<u>106,623</u>	<u>( 400,533)</u>	<u>-</u>
Total capital assets not being depreciated	<u>\$ 605,433</u>	<u>\$ 106,623</u>	<u>\$( 400,533)</u>	<u>\$ 311,523</u>
Capital assets being depreciated:				
Infrastructure	\$ 599,388	\$ -	\$ -	\$ 599,388
Buildings and improvements	4,336,480	189,200	400,533	4,926,213
Machinery and equipment	<u>5,483,275</u>	<u>35,569</u>	<u>-</u>	<u>5,518,844</u>
Total capital assets being depreciated	<u>\$10,419,143</u>	<u>\$ 224,769</u>	<u>\$ 400,533</u>	<u>\$11,044,445</u>
Less accumulated depreciation for:				
Infrastructure	\$ 40,984	\$ 15,369	\$ -	\$ 56,353
Buildings and improvements	1,659,193	88,340	-	1,747,533
Machinery and equipment	<u>4,168,966</u>	<u>254,336</u>	<u>-</u>	<u>4,423,302</u>
Total accumulated depreciation	<u>\$ 5,869,143</u>	<u>\$ 358,045</u>	<u>\$ -</u>	<u>\$ 6,227,188</u>
Total capital assets being depreciated, net	<u>\$ 4,550,000</u>	<u>\$( 133,276)</u>	<u>\$ -</u>	<u>\$ 4,817,258</u>

NOTES TO FINANCIAL STATEMENTS

Depreciation expense of the Jury for the year ended December 31, 2019 was charged to the following governmental functions:

General government	\$ 47,630
Public safety	3,671
Public works	212,792
Health and welfare	27,971
Culture and recreation	<u>65,981</u>
	<u>\$ 358,045</u>

Note 6. Change in Long-Term Debt

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

The current (due within one year) and long-term (due in more than one year) portions of the long-term debt of the governmental activities as of December 31, 2019 are \$23,333 and \$315,000, respectively.

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

The annual requirements to amortize the bonds and interest as of December 31, 2019 are:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2020	\$ 23,333	\$ 9,942	\$ 33,275
2021	23,333	9,244	32,577
2022	23,333	8,546	31,879
2023	23,333	7,849	31,182
2024	23,333	6,453	29,786
Thereafter	<u>221,668</u>	<u>26,686</u>	<u>248,354</u>
	<u>\$ 338,333</u>	<u>\$ 68,720</u>	<u>\$ 407,053</u>

## NOTES TO FINANCIAL STATEMENTS

### Note 7. Pension Plan and Other Pension Liabilities

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

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

#### General Information About the Plan:

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

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

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

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

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



## NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2018, the actual employer contribution rate was 11.50% and the actuarially required contribution rate was 9.99%.

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

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

As of December 31, 2019, the Jury reported a total of \$1,632,380 for its proportionate shares of the net pension liability of the Plan.

The net pension liability was measured as of December 31, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Jury's proportion of the net pension asset was based on a projection of the Jury's long-term contributions to the Plan's relative to the projected contributions of all participating employers, actuarially determined. The Jury's proportion of the Plan as of December 31, 2018 was 0.337789%.

Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Jury's contributions to the System under Plan A for the years ended December 31, 2019, 2018, and 2017 were \$242,228, \$259,391, and \$275,047, respectively, equal to the required contributions for each year.

For the year ended December 31, 2019, the Jury recognized pension expense of \$634,857.

NOTES TO FINANCIAL STATEMENTS

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion	\$ 6,662	\$ 452
Differences between expected and actual experience	-	99,449
Change of assumptions	408,148	-
Net difference between projected and actual earnings on pension plan investments	781,426	-
Jury's contributions subsequent to the measurement date	<u>242,228</u>	<u>-</u>
 Total deferred outflows and inflows of resources	 <u>\$ 1,438,464</u>	 <u>\$ 99,901</u>

The deferred outflows of resources related to pensions resulting from the Jury's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending December 31,</u>	
2020	\$ 376,710
2021	205,927
2022	168,506
2023	<u>345,192</u>
Total	<u>\$ 1,096,335</u>

## NOTES TO FINANCIAL STATEMENTS

### Actuarial Assumptions:

The total pension liabilities in the December 31, 2018 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	2.40%
Salary increases	4.75%
Investment rate of return	6.50%
Actuarial cost method	entry age normal
Expected remaining service lives	4 years

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

The investment rate of return was determined based on a triangulation method which integrated the Capital Asset Pricing Model(top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of re-balancing/diversification.

NOTES TO FINANCIAL STATEMENTS

Target Asset Allocation and Long-Term Expected Real Rate of Return:

The Plan's target asset allocation and long-term expected real rate of return as of December 31, 2018 is as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	.65%
Real assets	<u>2%</u>	<u>.11%</u>
Totals	<u>100%</u>	5.43%
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>7.43%</u>

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

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

<u>1% Decrease (5.5%)</u>	<u>Current Discount Rate (6.5%)</u>	<u>1% Increase (7.5%)</u>
<u>\$ 3,466,736</u>	<u>\$ 1,632,380</u>	<u>\$ 99,016</u>

Pension Plan Fiduciary Net Position:

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

NOTES TO FINANCIAL STATEMENTS

Other Pension Liabilities:

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

Note 8. Operating Leases

As of December 31, 2019, the Jury had entered into seven equipment operating leases having initial or remaining noncancellable terms in excess of one year. The annual commitments under these leases are as follows:

<u>Year Ending December 31,</u>	<u>Totals</u>
2020	\$ 260,302
2021	249,613
2022	<u>105,538</u>
	<u>\$ 615,453</u>

The Jury made payments of \$65,281 from the Road Maintenance Fund and \$200,172 from the Drainage Maintenance Fund during the year ended December 31, 2019 under operating leases.

Note 9. Contingencies and Risk Management

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

As of the date of this report, there was one pending lawsuit against the Jury involving a vehicle accident. The Jury's legal counsel advised that it is unknown if there is any exposure for the Jury.

In another lawsuit against the Jury, the legal counsel advised that "this is a highly suspect claim".

## NOTES TO FINANCIAL STATEMENTS

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable, if any, as of December 31, 2019 may be impaired. In the opinion of the Jury's management, there are no known significant contingent liabilities as of December 31, 2019 relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

### Note 10. Subsequent Events

Subsequent events were evaluated through September 11, 2020, which is the date the financial statements were available to be issued, and it was determined that no significant event had occurred requiring disclosure.

REQUIRED SUPPLEMENTARY INFORMATION (Part 2 of 2)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - GENERAL FUND  
For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
<b>Revenues:</b>				
Taxes	\$ 1,306,976	\$ 1,178,976	\$ 1,161,740	\$( 17,236)
Licenses and permits	169,000	171,000	169,685	( 1,315)
Intergovernmental	341,500	311,700	543,240	231,540
Fees, charges, and commissions for services	20,500	5,000	36,022	31,022
Fines and forfeitures	4,500	5,025	4,767	( 258)
Interest and miscellaneous	3,378	45,200	49,892	4,692
Total revenues	<u>\$ 1,845,854</u>	<u>\$ 1,716,901</u>	<u>\$ 1,965,346</u>	<u>\$ 248,445</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Legislative	\$ 264,838	\$ 259,738	\$ 260,896	\$( 1,158)
Judicial	103,811	97,486	95,903	1,583
Elections	69,724	53,592	58,053	( 4,461)
Finance and administrative	539,709	519,501	511,404	8,097
Other	16,000	12,879	71,374	( 58,495)
Public safety	326,938	311,308	309,356	1,952
Health and welfare	106,042	100,572	98,772	1,800
Economic development and assistance	80,000	130,000	177,774	( 47,774)
Capital outlay	138,051	47,951	-	47,951
Total expenditures	<u>\$ 1,645,113</u>	<u>\$ 1,533,027</u>	<u>\$ 1,583,532</u>	<u>\$( 50,505)</u>

(continued)



RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES , AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - GENERAL FUND (Continued)  
For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
Excess (deficiency) of revenues over expenditures	\$ 200,741	\$ 183,874	\$ 381,814	\$ 197,940
Other financing sources (uses):				
Operating transfers in	\$ -	\$ 232,000	\$ -	\$( 232,000)
Operating transfers out	<u>-</u>	<u>( 293,000)</u>	<u>( 318,205)</u>	<u>( 25,205)</u>
Total other financing sources (uses)	<u>\$ -</u>	<u>\$( 61,000)</u>	<u>\$( 318,205)</u>	<u>\$( 257,205)</u>
Net changes in fund balances	\$ 200,741	\$ 122,874	\$ 63,609	\$( 59,265)
Fund balances - beginning (non- GAAP and GAAP budgetary basis)	<u>195,000</u>	<u>216,000</u>	<u>863,819</u>	<u>647,819</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 395,741</u>	<u>\$ 338,874</u>	\$ 927,428	<u>\$ 588,554</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			34,669	
Deferred inflows of resources accruals			( 10,124)	
Miscellaneous			( 649)	
Expenditure accruals			<u>( 26,116)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 925,208</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - ROAD MAINTENANCE FUND  
For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 2,894,320	\$ 2,834,320	\$ 2,807,686	\$( 26,634)
Intergovernmental	360,000	295,700	300,539	4,839
Fees, charges, and commissions for services	-	52,000	52,555	555
Interest and miscellaneous	-	40,500	40,246	( 254)
Total revenues	<u>\$ 3,254,320</u>	<u>\$ 3,222,520</u>	<u>\$ 3,201,026</u>	<u>\$( 21,494)</u>
Expenditures:				
Current:				
Public works	\$ 3,549,270	\$ 3,389,220	\$ 3,379,173	\$ 10,047
Capital outlay	75,000	6,000	6,000	-
Total expenditures	<u>\$ 3,624,270</u>	<u>\$ 3,395,220</u>	<u>\$ 3,385,173</u>	<u>\$ 10,047</u>
Excess (deficiency) of revenues over expenditures	\$( 369,950)	\$( 172,700)	\$( 184,147)	\$( 11,447)
Other financing sources:				
Operating transfers in	<u>300,000</u>	<u>230,715</u>	<u>227,135</u>	<u>( 3,580)</u>
Net changes in fund balances	\$( 69,950)	\$ 58,015	\$ 42,988	\$( 15,027)
Fund balances - beginning (non- GAAP and GAAP budgetary basis)	<u>1,200,440</u>	<u>480,000</u>	<u>387,789</u>	<u>( 92,211)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 1,130,490</u>	<u>\$ 538,015</u>	\$ 430,777	<u>\$( 107,238)</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			( 395)	
Expenditure accruals			<u>51,822</u>	
Fund balance - ending (GAAP basis)			<u>\$ 482,204</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - DRAINAGE MAINTENANCE FUND  
For the Year Ended December 31, 2019

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 1,511,000	\$ 1,471,000	\$ 1,464,880	\$( 6,120)
Fees, charges, and commissions for services	-	350	346	( 4)
Interest and miscellaneous	-	7,000	6,721	( 279)
Total revenues	<u>\$ 1,511,000</u>	<u>\$ 1,478,350</u>	<u>\$ 1,471,947</u>	<u>\$( 6,403)</u>
Expenditures:				
Current:				
Public works	\$ 1,823,100	\$ 1,580,600	\$ 1,549,262	\$ 31,338
Capital outlay	<u>15,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 1,838,600</u>	<u>\$ 1,580,600</u>	<u>\$ 1,549,262</u>	<u>\$ 31,338</u>
Net changes in fund balances	\$( 327,600)	\$( 102,250)	\$( 77,315)	\$ 24,935
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>1,016,400</u>	<u>342,000</u>	<u>344,586</u>	<u>2,586</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 688,800</u>	<u>\$ 239,750</u>	\$ 267,271	<u>\$ 27,521</u>
Adjustments to generally accepted accounting principles:				
Expenditure accruals			<u>1,491</u>	
Fund balance - ending (GAAP basis)			<u>\$ 268,762</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - HEALTH UNIT FUND  
For the Year Ended December 31, 2019

	<u>Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 279,768	\$ 239,768	\$ 247,210	\$ 7,442
Intergovernmental	13,000	11,500	11,587	87
Interest and miscellaneous	-	22,000	21,811	( 189)
Total revenues	<u>\$ 292,768</u>	<u>\$ 273,268</u>	<u>\$ 280,608</u>	<u>\$ 7,340</u>
Expenditures:				
Current:				
Health and welfare	<u>221,857</u>	<u>227,802</u>	<u>236,925</u>	<u>( 9,123)</u>
Net changes in fund balances	\$ 70,911	\$ 45,466	\$ 43,683	\$( 1,783)
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>775,491</u>	<u>779,491</u>	<u>767,923</u>	<u>( 11,568)</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 846,402</u>	<u>\$ 824,957</u>	\$ 811,606	<u>\$( 13,351)</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			3,171	
Deferred revenue accruals			( 2,856)	
Expenditure accruals			<u>( 5,567)</u>	
Fund balance - ending (GAAP basis)			<u>\$ 806,354</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -  
GOVERNMENTAL FUND - LIBRARY FUND  
For the Year Ended December 31, 2019

	<u>Original</u>	<u>Budget</u> <u>Final</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Taxes	\$ 1,000,000	\$ 1,350,800	\$ 1,400,271	\$ 49,471
Intergovernmental	31,000	41,000	42,897	1,897
Fees, charges, and commissions for services	19,500	17,000	15,756	( 1,244)
Fines and forfeitures	6,850	3,050	2,779	( 271)
Interest and miscellaneous	7,825	63,255	92,775	29,520
Total revenues	<u>\$ 1,065,175</u>	<u>\$ 1,475,105</u>	<u>\$ 1,554,478</u>	<u>\$ 79,373</u>
Expenditures:				
Current:				
Culture and recreation	\$ 3,474,148	\$ 882,175	\$ 947,199	\$( 65,024)
Capital outlay	-	207,500	174,609	32,891
Total expenditures	<u>\$ 3,474,148</u>	<u>\$ 1,089,675</u>	<u>\$ 1,121,808</u>	<u>\$( 32,133)</u>
Net changes in fund balances	\$( 2,408,973)	\$ 385,430	\$ 432,670	\$ 47,240
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>2,428,803</u>	<u>2,105,803</u>	<u>3,076,759</u>	<u>970,956</u>
Fund balances - ending (non-GAAP budgetary basis)	<u>\$ 19,830</u>	<u>\$ 2,491,233</u>	\$ 3,509,429	<u>\$ 1,018,196</u>
Adjustments to generally accepted accounting principles:				
Revenue accruals			( 423,490)	
Deferred revenue accruals			440,388	
Expenditure accruals			<u>18,908</u>	
Fund balance - ending (GAAP basis)			<u>\$ 3,545,235</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of net pension liability	.37%	.35%	.35%	.34%	.31%
Proportionate share of net pension liability (asset)	\$ 1,632,380	\$( 260,431)	\$ 726,940	\$ 907,758	\$ 84,471
Covered employees' payroll	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Proportionate share of net pension liability as a percentage of covered employees' payroll	72.73%	-11.84%	32.66%	45.91%	4.92%
Plan fiduciary net position as a percentage of total pension liability	88.86%	101.98%	94.15%	92.23%	99.15%

SCHEDULE OF CONTRIBUTIONS - PERSLA

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 259,391	\$ 275,046	\$ 278,216	\$ 286,703	\$ 225,768
Contributions in relation to contractually required contribution	<u>259,391</u>	<u>275,046</u>	<u>278,216</u>	<u>286,703</u>	<u>225,768</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employees payroll	\$ 2,255,599	\$ 2,200,371	\$ 2,225,728	\$ 1,977,266	\$ 1,717,104
Contribution as a percentage of covered employees' payroll	11.50%	12.50%	12.50%	14.50%	13.15%

OTHER SUPPLEMENTARY INFORMATION

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS  
December 31, 2019

	<u>Off-Duty Officers</u>	<u>Courthouse Maintenance</u>	<u>Total Non-Major Governmental Funds</u>
<b>ASSETS</b>			
Cash	\$ 48,919	\$ 41,865	\$ 90,784
Receivables	<u>2,907</u>	<u>-</u>	<u>2,907</u>
Total assets	<u><u>\$ 51,826</u></u>	<u><u>\$ 41,865</u></u>	<u><u>\$ 93,691</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 50	\$ 6,867	\$ 6,917
Due to other funds	<u>-</u>	<u>1,150</u>	<u>1,150</u>
Total liabilities	\$ 50	\$ 8,017	\$ 8,067
<b>FUND BALANCES</b>			
Restricted for special revenue	<u>51,776</u>	<u>33,848</u>	<u>85,624</u>
Total liabilities and fund balances	<u><u>\$ 51,826</u></u>	<u><u>\$ 41,865</u></u>	<u><u>\$ 93,691</u></u>



RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	<u>Off-Duty Officers</u>	<u>Courthouse Maintenance</u>	Total Non-Major Governmental <u>Funds</u>
Revenues:			
Taxes	\$ -	\$ 305,183	\$ 305,183
Fines and forfeitures	50,652	-	50,652
Interest and miscellaneous	624	1,658	2,282
Total revenues	<u>\$ 51,276</u>	<u>\$ 306,841</u>	<u>\$ 358,117</u>
Expenditures:			
Current:			
General government:			
Judicial	\$ 250	\$ -	\$ 250
Other	-	329,539	329,539
Debt service	-	23,385	23,385
Capital outlay	-	150,783	150,783
Total expenditures	<u>\$ 250</u>	<u>\$ 503,707</u>	<u>\$ 503,957</u>
Excess (deficiency) of revenues over expenditures	\$ 51,026	\$( 196,866)	\$( 145,840)
Other financing sources:			
Operating transfers in	<u>-</u>	<u>91,070</u>	<u>91,070</u>
Net changes in fund balances	\$ 51,026	\$( 105,796)	\$( 54,770)
Fund balances - beginning	<u>750</u>	<u>139,644</u>	<u>140,394</u>
Fund balances - ending	<u>\$ 51,776</u>	<u>\$ 33,848</u>	<u>\$ 85,624</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF JURORS' COMPENSATION  
For the Year Ended December 31, 2019

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

Althan Smith	\$ 19,200
Steve Lofton	19,200
Sharon D. Gee	19,200
Elliot D. Colvin	19,200
Steve D. Craig	19,200
Cecil W. Reddick	19,200
Paul Slayter	19,200
Patrick L. Stubblefield	19,200
Thomas R. Wiggins, Jr.	<u>19,200</u>
 Total jurors' compensation	 <u>\$ 172,800</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS,  
AND OTHER PAYMENTS TO AGENCY HEAD  
As of and For the Year Ended December 31, 2019

Agency Head Name: Elliot D. Colvin

<u>Purpose</u>	<u>Amounts</u>
Compensation	\$ 19,200
Dental and vision insurance	389
Health and life insurance	<u>8,279</u>
Total compensation, benefits, and other payments to agency head	<u>\$ 27,868</u>

# HILL, INZINA & COMPANY

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

Police Jurors  
Richland Parish Police Jury  
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Jury's primary government and have issued our report thereon dated September 11, 2020.

## Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-1 that we consider to be a significant deficiency.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2019-2.

#### Jury's Responses to Findings

The Jury's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Jury's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jury's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the jurors, others within the Jury, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by Louisiana Legislative Auditor as a public document.

/s/ Hill, Inzina & Co.

September 11, 2020

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH  
MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION  
As of and for the Year Ended December 31, 2019

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish Police Jury (the "Jury"), as of and for the year ended December 31, 2019, which collectively comprise the basic financial statements of the Jury's primary government and have issued our report thereon dated September 11, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2019 resulted in an unqualified opinion on the primary government's governmental activities, each major fund, and the aggregate remaining fund information. An adverse opinion was rendered on the aggregate discretely presented component units.

Section I - Summary of Auditor's Reports

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

Internal Control

Significant Deficiencies  Yes  No

Material Weaknesses  Yes  No

Compliance

Material to Financial Statements  Yes  No

Section II - Financial Statement Findings

2019-1 Inadequate Segregation of Duties (initially cited in first audit conducted by our firm as of and for the two years ended December 31, 1993)

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

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

Cause: The condition is due to economic limitations.

Effect: Not determined.

Recommendation: No action is recommended.

Management's  
response and  
planned cor-  
rective action:

We concur with the finding, but it is not economically feasible for corrective action to be taken.

2019-2 Contracting and Public Bid Law (initially cited for year ended December 31, 2018)

Criteria: The Jury should have written policies and procedures relative to purchasing to include (1) controls to ensure compliance with the public bid law and (2) documentation required to be maintained for all bids and price quotes.

The Jury should also have written policies and procedures relative to contracting to include (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Condition: The Jury did not have a contract for a public works project costing \$330,000 that began in 2018 and was completed in 2019. The related bid documents provided to the auditor and the quote referenced in the minutes of the Jury discussed only one bid. No documentation was provided as to if other bids were received. The legal advertisement for bids contained only notice to see the "parish manager concerning plans and specifications for office building". Again, no documentation was provided that the legal advertisement was made on three occasions. There was no documentation relative to legal review and monitoring process.

No bids or quotes were requested or received from the same vendor for concrete costing \$30,000 to provide sidewalks and parking spaces for the above project. The invoice for the \$30,000 expenditure read verbatim "payment below is for concrete and extras". No detail was provided as to the cubic feet of concrete purchased, labor charges, etc. Nor was it documented in the Jury's minutes that this expenditure was approved by the Jury.

The vendor was contacted directly by the Jury's secretary/treasurer during the performance of the audit procedures requesting that further detail be provided for the \$30,000 concrete cost. The vendor responded via e-mail that it was for "concrete, framing, finishing, and striping of the parking places and sidewalk around the building". He was not sure if he could provide any other information.

The “final draw” on the large public works project was paid on the same date as the \$30,000 charge.

Additional concrete costs totaling \$14,160 for a parking lot extension for the above project was incurred in September and November 2019. The cost was split between two vendors for labor and the actual concrete. These two vendors being different than the vendor for the above projects.

Cause: The conditions were due to the Jury not having purchasing and contracting policies and procedures nor suitable knowledge in these areas.

Effect: Records were not available to confirm the specifics for all of the project, awarding the contract, approved costs of the projects, and compliance with the applicable bid laws.

The Jury’s parish road manager was of the impression that the Jury’s approval of the \$330,000 public works project acted as the awarding of the contract.

Recommendation: Written policies and procedures relative to purchasing and contracting should be adopted by the Jury. R.S. 38:2215 and others should be reviewed by jurors, employees of the Jury, and the attorney for the Jury before starting future public works projects.

Management’s response and planned corrective action: We will include a policy for purchasing and contracting in the policies and procedures manual that is currently being updated. We expect to have this completed and adopted by the Jury by the end of this year.

### Section III - Management Letter

None issued.



RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended December 31, 2019

Section II - Financial Statement Findings

2018-1 Inadequate Segregation of Duties

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

Unresolved - 2019-1.

2018-2 Contracting and Record Retention

The Jury should have written policies and procedures relative to contracting to include (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Unresolved - 2019-2.

Section III - Management Letter

None issued.

# HILL, INZINA & COMPANY

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by Richland Parish Police Jury, (the "Jury") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Jury's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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1. Obtain and inspect the Jury's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the Jury's operations):
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

\*\*The Jury had no written policies and procedures addressing these specifics relative to budgeting.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

\*\*The Jury had no written policies and procedures addressing these specifics relative to purchasing.
  - c) ***Disbursements***, including processing, reviewing, and approving.

\*\*The Jury had no written policies and procedures addressing these specifics relative to disbursements.

- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

\*\*The Jury had no written policies and procedures addressing these specifics relative to receipts/collections.

- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

\*\*The Jury had no written policies and procedures addressing these specifics relative to payroll/personnel.

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

\*\*The Jury had no written policies and procedures addressing these specifics relative to contracting.

- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

\*\*The Jury had no written policies or procedures addressing these specifics relative to credit cards and fuel cards.

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

\*\*The Jury had no written policies and procedures addressing these specifics relative to travel and expense reimbursements.

- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Village's ethics policy.

\*\*The Jury had no written policies and procedures addressing these specifics relative to ethics.

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

\*\*The Jury had no written policies and procedures addressing these specifics relative to debt service.

- k) *Disaster Recovery/Business Continuity*, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

\*\*The Jury had no written policies and procedures addressing these specifics relative to disaster recovery/business continuity.

### ***Bank Reconciliations***

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2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Jury's main operating account. Select the Jury's main operating account and randomly select four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
- a) Four of the five selected bank reconciliations did include evidence that they were prepared within two months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations did not include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management had documentation reflecting that it had researched reconciling items that had been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections***

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3. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select five deposit sites (or all deposit sites if less than five).
4. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- a) Employees that are responsible for cash collections do not share cash drawers/registers.

\*\*Cash drawers/registers are not used at any of the Jury's collection locations.

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

\*\*Job duties were not properly segregated at each collection location.

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

\*\*Job duties were not properly segregated for employees responsible for collecting cash, posting collections, and reconciling postings to the deposit.

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

\*\*Job duties were not properly segregated for employees responsible for reconciling collections to the general ledger

5. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

\*\*All employees of the Jury are covered by blanket bonds and none are covered by separate bonds.

6. Randomly select two deposit dates for each of the five bank accounts selected for procedure #2 above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the ten deposits and:

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

\*\*Sequentially pre-numbered receipts were used by the Jury only for cash receipts deposited to one of the five selected bank accounts. Copies of the receipt, if applicable, payee's check, transmittal advice, etc. were attached to the deposit receipt provided by the bank.

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

\*\*Receipts and other related collection documentation were traced to the deposit slip.

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

\*\*Deposit slip totals agreed to the actual deposit per the bank statement.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100).

\*\*Deposits are only made weekly to one of the five bank accounts selected. For a deposit made to another bank account, the payee's check was dated December 9<sup>th</sup>, the transmittal advice was dated December 10<sup>th</sup>, and the funds were deposited on December 16<sup>th</sup>.

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

\*\*The deposits were traced from the bank statements to the general ledger.

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

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7. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five locations (or all locations if less than five).
8. For each location selected under #7 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.  
\*\*Job duties were properly segregated.
  - b) At least two employees are involved in processing and approving payments to vendors.  
\*\*Job duties were properly segregated.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.  
\*\*Job duties were not properly segregated.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.  
\*\*Job duties were not properly segregated.
9. For each location selected under #7 above, obtain the Jury's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.  
\*\*The five randomly selected disbursements matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #8, as applicable.  
\*\*Only one of the five disbursements selected included evidence of which employee received the goods/services on behalf of the Jury.

*Travel and Travel-Related Expense Reimbursements<sup>1</sup> (excluding card transactions)*

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

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

\*\*One of the five selections included reimbursement of two meals at per diem rates for meals that were served at the conference.

On another selection, the Jury's employee did not timely make the hotel reservation to obtain the group rate of \$119 but instead paid \$38 more nightly for nine nights in Milwaukee, Wisconsin. On this same trip, \$31 per day was paid for valet parking.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

\*\*All reimbursements made using actual costs were supported by itemized receipts identifying precisely what was purchased.

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

\*\*Each reimbursement was supported by documentation of the business/public purpose. The Jury had no written policies relative to travel and travel-related expense reimbursements.

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

\*\*Only one of the five selections included documentation that the reimbursements were reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*Ethics*

11. Obtain a listing of employees (and elected officials, if applicable) and obtain management's representation that the listing is complete. Randomly select five employees/officials and for each of the five selected:

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- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

\*\*One of the five selected employees/officials did not complete the required ethics training during the fiscal period.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the Jury's ethics policy during the fiscal period.

\*\*The Jury had no written policies and procedures addressing ethics.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

#### **Management's response**

We are currently working on an updated policies and procedures manual and plan to have it adopted by the Jury by the end of this year.

/s/ Hill, Inzina & Co.

Bastrop, Louisiana

August 27, 2020