

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2019

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

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Independent Auditor's Report

To the Honorable President and Members of the
Caldwell Parish Police Jury
Columbia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caldwell Parish Police 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 Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Caldwell Parish Police Jury, as of December 31, 2019, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Caldwell Parish Police Jury, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 11 to the financial statements, operations of the Police Jury are impacted by the pandemic caused by the Coronavirus/COVID-19. The Police Jury is uncertain how and to what extent the pandemic will negatively affect operations, financial position, and the ability to provide services. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 37-42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caldwell Parish Police Jury's basic financial statements. The combining nonmajor fund financial statements; the Schedule of Compensation Paid Police Jurors; and the Schedule of Compensation, Benefits, Reimbursements, and Other Payments to the Agency Head, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements; the Schedule of Compensation Paid Police Jurors; and the Schedule of Compensation, Benefits, Reimbursements, and Other Payments to the Agency Head, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report
December 31, 2019

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2020, on our consideration of the Caldwell Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Caldwell Parish Police Jury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Caldwell Parish Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC

A handwritten signature in blue ink that reads "Bosch & Statham".

Ruston, Louisiana
June 30, 2020

Basic Financial Statements

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2019

ASSETS	
Cash and cash equivalents	\$ 9,679,112
Receivables	2,025,511
Internal balances	202,194
Capital assets, net of accumulated depreciation	<u>24,199,956</u>
Total assets	<u>36,106,773</u>
DEFERRED OUTFLOWS	
Pension related	<u>465,277</u>
LIABILITIES	
Accounts, salaries, and other payables	118,208
Due to other agencies	57,698
Compensated absences payable	126,323
Net pension liability	<u>659,314</u>
TOTAL LIABILITIES	<u>961,543</u>
DEFERRED INFLOWS	
Pension related	<u>59,365</u>
NET POSITION	
Net investment in capital assets	24,199,956
Restricted	8,911,855
Unrestricted	<u>2,439,331</u>
TOTAL NET POSITION	<u>\$ 35,551,142</u>

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 1,232,567	\$ 157,087	\$ 274,387	\$ -	\$ (801,093)
Public safety	440,967	351,505	57,760	-	(31,702)
Public works	2,122,627	84,310	273,716	-	(1,764,601)
Health and welfare	201,909	-	-	-	(201,909)
Culture and recreation	327,363	13,020	15,295	2,845,649	2,546,601
Economic development and assistance	299,845	-	-	-	(299,845)
Transportation	6,504	-	-	80,922	74,418
Total governmental activities	<u>\$ 4,631,782</u>	<u>\$ 605,922</u>	<u>\$ 621,158</u>	<u>\$ 2,926,571</u>	<u>(478,131)</u>
General revenues:					
Property taxes levied for:					
General purposes					476,832
Public works					498,067
Health and welfare					134,679
Culture and recreation					375,782
Economic development and assistance					363,946
Sales and use taxes levied for:					
General purposes					287,091
Public works					1,765,256
Other taxes, penalties and interest					9,301
Unrestricted investment earnings					61,528
Gain (loss) on disposal of assets					(1,394)
Other revenues					22,877
Total general revenues					<u>3,993,967</u>
Change in net position					3,515,836
Net position at beginning of year					<u>32,035,308</u>
Net position at end of year					<u>\$ 35,551,142</u>

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2019

	GENERAL	ROAD MAINTENANCE	INDUSTRIAL OPERATIONS	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS										
Cash and cash equivalents	\$ 1,562,858	\$ 692,258	\$ 790,606	\$ 1,105,563	\$ 1,585,909	\$ 2,210,355	\$ 27,863	\$ 40	\$ 1,703,660	\$ 9,679,112
Receivables	360,463	574,004	341,308	361,585	-	-	-	-	388,151	2,025,511
Due from other funds	24,168	23,775	-	-	154,257	-	-	-	-	202,200
TOTAL ASSETS	\$ 1,947,489	\$ 1,290,037	\$ 1,131,914	\$ 1,467,148	\$ 1,740,166	\$ 2,210,355	\$ 27,863	\$ 40	\$ 2,091,811	\$ 11,906,823
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 39,443	\$ 20,361	\$ 22,333	\$ 12,816	\$ -	\$ -	\$ -	\$ -	\$ 16,130	\$ 111,083
Salaries and related payables	1,325	2,995	-	807	-	-	-	-	1,997	7,124
Due to other agencies	57,698	-	-	-	-	-	-	-	-	57,698
Due to other funds	-	-	-	-	-	-	-	-	6	6
Total liabilities	98,466	23,356	22,333	13,623	-	-	-	-	18,133	175,911
FUND BALANCES										
Unassigned	1,753,082	-	-	-	-	-	-	-	-	1,753,082
Restricted	95,941	1,266,681	1,109,581	1,453,525	1,740,166	2,210,355	27,863	40	2,073,678	9,977,830
Total fund balances	1,849,023	1,266,681	1,109,581	1,453,525	1,740,166	2,210,355	27,863	40	2,073,678	11,730,912
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,947,489	\$ 1,290,037	\$ 1,131,914	\$ 1,467,148	\$ 1,740,166	\$ 2,210,355	\$ 27,863	\$ 40	\$ 2,091,811	\$ 11,906,823

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS'
BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019**

Total fund balance - governmental funds	\$ 11,730,912
Amounts reported for governmental activities in the statement of net position are different because:	
Some assets used in governmental activities are not financial resources.	
Capital assets	24,199,956
Deferred items for pension related items are not reported in the fund statements:	
Deferred outflows	465,276
Deferred inflows	(59,365)
Some liabilities, such as compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	
Compensated absences payable	(126,323)
Net pension liability	(659,314)
Net position of governmental activities	<u>\$ 35,551,142</u>

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	GENERAL	ROAD MAINTENANCE	INDUS TRIAL OPERATIONS	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:										
Taxes:										
Ad valorem	\$ 270,582	\$ 498,067	\$ 363,946	\$ 375,782	\$ -	\$ -	\$ -	\$ -	\$ 340,929	\$ 1,849,306
Sales and use	287,091	190,786	-	-	1,574,470	-	-	-	-	2,052,347
Other taxes, penalties, and interest	9,301	-	-	-	-	-	-	-	-	9,301
Licenses and permits	157,087	-	-	13,020	-	-	-	-	7,190	177,297
Intergovernmental funds:										
Federal funds	141,040	-	-	-	-	-	-	-	-	141,040
State funds:										
Severance taxes	230,715	-	-	-	-	-	-	-	-	230,715
State revenue sharing	11,802	23,631	-	15,295	-	-	-	-	-	50,728
Parish transportation	-	188,658	-	-	-	-	-	-	-	188,658
Other state funds	42,795	19,450	-	-	-	-	2,845,649	-	-	2,907,894
Fees, charges and commissions for services	525	84,310	-	-	-	-	-	-	195,087	279,922
Fines and forfeitures	-	-	-	-	-	-	-	-	149,228	149,228
Use of money and property	16,768	2,824	1,957	7,306	11,129	12,853	-	-	8,689	61,526
Other revenues	3,057	4,219	-	35	-	-	15,190	-	376	22,877
Total revenues	<u>1,170,763</u>	<u>1,011,945</u>	<u>365,903</u>	<u>411,438</u>	<u>1,585,599</u>	<u>12,853</u>	<u>2,860,839</u>	<u>-</u>	<u>701,499</u>	<u>8,120,839</u>

CALDWELL PARISH POLICE JURY

COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	GENERAL	ROAD MAINTENANCE	INDUSTRIAL OPERATIONS	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Expenditures:										
Current:										
General government:										
Legislative	109,902	-	-	-	-	-	-	-	-	109,902
Judicial	114,554	-	-	-	-	-	-	-	168,800	283,354
Elections	45,614	-	-	-	-	-	-	-	-	45,614
Finance and administrative	363,523	-	-	-	-	-	-	-	-	363,523
Other general government	23,906	-	-	-	-	-	-	-	135,001	158,907
Public safety	270,056	-	-	-	-	-	-	-	147,738	417,794
Public works	-	945,608	-	-	587,711	356,712	-	-	105	1,890,136
Health and welfare	80,751	-	-	-	-	-	-	-	116,329	197,080
Culture and recreation	-	-	-	275,332	-	-	11,488	-	-	286,820
Economic development and assistance	40,010	-	259,833	-	-	-	-	-	-	299,843
Transportation	6,504	-	-	-	-	-	-	-	-	6,504
Capital out lay	-	73,999	-	59,950	-	-	2,843,804	-	17,632	2,995,385
Total expenditures	<u>1,054,820</u>	<u>1,019,607</u>	<u>259,833</u>	<u>335,282</u>	<u>587,711</u>	<u>356,712</u>	<u>2,855,292</u>	<u>-</u>	<u>585,605</u>	<u>7,054,862</u>
Excess (deficiency) of revenues over expenditures	<u>115,943</u>	<u>(7,662)</u>	<u>106,070</u>	<u>76,156</u>	<u>997,888</u>	<u>(343,859)</u>	<u>5,547</u>	<u>-</u>	<u>115,894</u>	<u>1,065,977</u>
Other sources (uses):										
Operating transfers in	-	-	-	-	-	750,000	-	-	70,000	820,000
Operating transfers out	<u>(20,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(820,000)</u>
Total other sources (uses)	<u>(20,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(750,000)</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>70,000</u>	<u>-</u>
Net change in fund balances	95,943	(7,662)	56,070	76,156	247,888	406,141	5,547	-	185,894	1,065,977
Fund balances at beginning of year	<u>1,753,080</u>	<u>1,274,343</u>	<u>1,053,511</u>	<u>1,377,369</u>	<u>1,492,278</u>	<u>1,804,214</u>	<u>22,316</u>	<u>40</u>	<u>1,887,784</u>	<u>10,664,935</u>
Fund balances at end of year	<u>\$ 1,849,023</u>	<u>\$ 1,266,681</u>	<u>\$ 1,109,581</u>	<u>\$ 1,453,525</u>	<u>\$ 1,740,166</u>	<u>\$ 2,210,355</u>	<u>\$ 27,863</u>	<u>\$ 40</u>	<u>\$ 2,073,678</u>	<u>\$ 11,730,912</u>

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Net change in fund balances - total governmental funds	\$ 1,065,977
 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.	
Capital outlay	2,995,386
Depreciation	(315,183)
 The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations) is to decrease net position.	
	(1,394)
 Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.	
Pension expense	(257,119)
Nonemployer contribution to pension plans	28,169
Change in net position of governmental activities	<u>\$ 3,515,836</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**FIDUCIARY FUND TYPE - AGENCY FUNDS - SALES TAX FUND
STATEMENT OF FIDUCIARY NET POSITION
AS OF DECEMBER 31, 2019**

ASSETS

Cash and cash equivalents \$ 209,821

LIABILITIES

Due to other agencies \$ 7,627

Due to other funds 202,194

Total Liabilities \$ 209,821

CALDWELL PARISH POLICE JURY
 COLUMBIA, LOUISIANA

FIDUCIARY FUND TYPE - AGENCY FUNDS - SALES TAX FUND
 SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
 AS OF DECEMBER 31, 2019

Unsettled balances due to taxing bodies and others - beginning	<u>\$ 165,964</u>
Additions:	
Deposits:	
Sales taxes	2,100,166
Occupational licenses	156,687
Interest	<u>176</u>
Total additions	<u>2,257,029</u>
Reductions:	
Deposits settled to:	
Police Jury General fund	432,220
Police Jury Solid Waste Fund	1,516,515
Police Jury Road Maintenance Fund	182,783
Clarks Volunteer Fire District	3,081
CP Fire District No. 1	25,722
Grays on Fire District	2,422
Columbia Heights Fire District	9,631
East Columbia Fire District	4,840
Other reductions	<u>35,958</u>
Total reductions	<u>2,213,172</u>
Unsettled balances due to taxing bodies and others - ending	<u>\$ 209,821</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Caldwell Parish Police Jury is the parish governing authority governed by an elected board referred to as the "police jury" (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by seven police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2020. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Caldwell Parish, established by act of the Louisiana Legislature in 1838, is located in the northeast part of the state and occupies approximately 529 square miles of land with a population of 10,132 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes, and various other state and federal grants.

In accomplishing its objectives, the police jury employs approximately 30 full and part-time employees (3 in the central office, 1 in the courthouse, 2 in the 911 office, 10 in the recreation department, and 14 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains approximately 405 miles of parish roads, comprised of 150 miles of asphalt and 255 miles of gravel.

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

Reporting Entity

The police jury reporting entity consists of the various departments and activities that are within the control and authority of the police jury.

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Component Units:	<u>Fiscal</u> <u>Year End</u>	<u>Criteria</u> <u>Used</u>
Caldwell Parish:		
Airport Authority	December 31	1 & 3
Clerk of Court	December 31	2 & 3
Fire Protection District #1	December 31	1 & 3
Hospital Service District #1	December 31	1 & 3
Housing Authority	December 31	1 & 3
Library	December 31	1 & 3
Recreation District	December 31	1 & 3
Sheriff	June 30	2 & 3
Assessor	December 31	2 & 3
Columbia Eastside Fire District	December 31	1 & 3
Columbia Heights Fire District	December 31	1 & 3
Columbia Heights Sewerage District	December 31	1 & 3
Columbia Heights Waterworks District #1	December 31	1 & 3
Crossroad Water System	December 31	1 & 3
East Columbia Sewerage District	December 31	1 & 3
East Columbia Waterworks District	December 31	1 & 3
Gravity Drainage District #1	December 31	1 & 3
Kelly Waterworks District	October 31	1 & 3
Thirty-Seventh Judicial District Criminal Court	December 31	2 & 3

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

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

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

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

Basis of Presentation

The financial report consists of primary government financial statements, notes to financial statements, and required supplementary information other than the MD&A. Management has elected not to present Management's Discussion and Analysis to provide an overview of the financial activities of the police jury, which is required by GAAP. The financial statements include the government-wide financial statements, fund financial statements, and the notes to the financial statements.

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and sales taxes are assessed, collected and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the police jury by reporting each in a separate column. The police jury has no business-type activities at this time.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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

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

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

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

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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

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

The Road Maintenance Special Revenue Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, sales and use taxes, a specific Parish wide ad valorem tax, state revenue sharing funds, and interest earned.

The Industrial Operation Fund accounts for the maintenance of the parish-owned industrial district. Financing is provided by a parish-wide ad valorem tax. Any excess of funds over a \$50,000 reserve in the fund can be used for improving, maintaining, and operating the parish 911 emergency communications system.

The Recreation Special Revenue Fund accounts for the maintenance of the parish-owned recreation facility. Financing is provided by a parish-wide ad valorem tax, state revenue sharing, interest, dues, fees, and commissions.

The Solid Waste Special Revenue Fund accounts for the collection and disposal of solid waste in the parish. Financing is provided by a specific parish-wide sales and use tax. In accordance with the tax proposition, any available revenues of the fund in excess of \$500,000 are transferred to the Blacktop Road Fund to be used for asphalt road maintenance and improvements.

The Blacktop Road Special Revenue Fund accounts for transfers from the Solid Waste Fund, as noted above. Monies in the fund support the police jury's annual capital improvement program and normal maintenance and repairs to existing asphalt roads.

The Bayou de Chene Reservoir Capital Projects Fund accounts for engineering and construction work at Bayou de Chene. Construction of the Bayou de Chene reservoir is funded by the Louisiana Department of Transportation.

The LCDBG Capital Projects Fund accounts for projects funded by Louisiana Community Development Block Grants.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Cash and Investments

State law allows the police jury to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the Louisiana Asset Management Pool (a state-sponsored investment pool), and mutual funds consisting solely of government-backed securities. The police jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the Fund that holds the investment. Currently, all investments of the police jury consist of short-term certificates of deposit with local banks.

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

Receivables and Payables

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

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Caldwell Parish Sheriff bills and collects the police jury’s property taxes using the assessed value determined by the assessor of Caldwell Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2019, taxes of 29.32 mills were levied on property with assessed valuations totaling \$76,415,341 as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General maintenance	4.00	4.29	Indefinite
Health unit maintenance	2.01	2.13	2027
Road maintenance and construction	8.14	8.59	2029
Courthouse and jail maintenance	3.11	3.27	2020
Industrial park and E911 operation	2.06	2.17	2020
Recreation maintenance	5.00	5.56	2025
Economic development	3.08	3.31	2027

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Receivables and Payables (Continued)

The following are the principal taxpayers for the parish and their 2019 assessed valuation:

	2019 Assessed Valuation	Percent of Total Assessed Valuation	Tax
Regency Intrastate Gas, LLC	\$ 19,657,058	25.08%	\$ 2,597,235
Texas Gas Transmission Corp.	6,551,470	8.36%	907,322
Energy Transfer Crude Oil Company, LLC	3,946,320	5.03%	522,357
Union Pacific Railroad Company	3,233,590	4.13%	440,875
Entergy Louisiana, LLC	2,402,000	3.06%	324,381
Homeland Federal Savings Bank	1,507,729	1.92%	197,057
Weyerhaeuser Company	1,296,829	1.65%	172,426
Caldwell Bank & Trust Company	1,049,161	1.34%	147,370
BellSouth Telecommunications	880,650	1.12%	119,823
Citizens Progressive Bank	730,561	0.93%	102,131
Total	<u>\$ 41,255,368</u>	<u>52.64%</u>	<u>\$ 5,530,977</u>

Caldwell Parish has a four-percent sales and use tax, of which one percent (parish-wide) is dedicated to the Caldwell Parish School Board; one percent (parish-wide) to debt service and the operations of the parish hospital, Citizens' Medical Center; one-quarter percent (parish-wide, excluding the Town of Columbia) to fire protection and the maintenance and construction of roads and bridges; three-quarters percent (parish-wide, excluding the Town of Columbia) to blacktop roads and the collection and disposal of solid waste; one-quarter percent (parish-wide) to the operations of the parish General Fund; and three-quarters percent (parish-wide) to the collection and disposal of solid waste, with any surplus, after establishing a reserve of \$500,000 for solid-waste purposes, to be used for the establishment of a blacktop road fund for constructing, maintaining, improving, and resurfacing hard-surface roads. The parish hospital tax was passed by voters on April 2, 1977, for an indefinite period. The road, bridge, fire protection, and solid waste tax was passed on October 19, 1985, for an indefinite period. The solid waste and General Fund tax was passed on October 3, 1992, for an indefinite period and was rededicated to the above purposes at a special election held on March 12, 1996.

The police jury has an agreement with the Concordia Parish School Board to collect parish sales taxes. The school board's tax department provides collection services for a fee of one and one-quarter percent of amounts actually collected plus the cost of travel, supplies, and postage. Taxes collected for maintaining and constructing roads and bridges, fire protection, collection and disposal of solid waste, and operations of the General Fund are deposited directly in the police jury's sales tax account. The police jury's Sales Tax Agency Fund distributes the taxes to other funds and agencies on a monthly basis, after deducting the above costs of collection.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The capitalization threshold for buildings and improvements is \$5,000. For reporting purposes, the police jury defines capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and 20 years for improvements and depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction-in-progress is not depreciated.
- Movable property (furniture, equipment, and vehicles) consists of assets that are not fixed or stationary in nature. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 3 to 15 years.
- Infrastructure assets include tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure is depreciated using the straight-line method with an estimated useful life of 5 to 40 years.
- Purchased computer software is depreciated using the straight-line method over an estimated useful life of 3 years.
- Donated capital assets are recorded at their estimated fair value at the date of donation.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

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

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

Employees of the police jury and recreation district receive 18 days of annual leave each year with a maximum accumulation of 30 to 45 days, depending on their length of service. Employees earn 10 days of sick leave each year and may accumulate sick leave without limitation. Upon termination, retirement, or resignation, employees are paid for accumulated unused annual and sick leave combined up to a maximum of 90 or 105 days, depending on their years of service.

Employees of the Thirty-Seventh Judicial District Criminal Court earn from one to two weeks of annual leave and 10 to 15 days of sick leave each year, depending on their length of service. Annual and sick leave cannot be accumulated.

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

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or are legally or contractually required to be maintained intact.
Restricted	Includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes amounts that can only be used for specific purposes pursuant to constraints that are internally imposed by the government through formal action of the police jury and does not lapse at year-end.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Assigned	Includes amounts that are constrained by the Police Jury's intent to be used for specific purposes that are neither considered restricted or committed.
Unassigned	Includes amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. Negative fund balances in other governmental funds can also be classified as unassigned.

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

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

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

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

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

Reconciliation of Government-wide and Fund Financial Statements

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Budgets

Preliminary budgets for the ensuing year are prepared by the Assistant Treasurer during October of each year. Budgets are prepared for all funds except Bayou de Chene Reservoir, LCDBG, and Criminal Court. Grant funds prepare budgets and submit to grantors. The Criminal Court Fund is not legally required to adopt a budget. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the police jury's regular December meeting, and a notice of the adoption is then published in the official journal.

During the year, the finance committee receives monthly budgetary comparison statements, which are used as a management tool to control operations of the parish. The Assistant Treasurer presents necessary budget amendments to the police jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the police jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in police jury minutes published in the official journal. The police jury exercises control at the object level. The police jury does not utilize encumbrance accounting; however, the original budgets and any subsequent amendments are incorporated into the accounting system. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. For the year ended December 31, 2019, the police jury adopted cash basis budgets for the General Fund and all special revenue funds except the Criminal Court Fund.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Budgets (Continued)

Budgetary comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles the net change in fund balances on the budgetary statements to the same amount on the statement of revenues, expenditures, and changes in fund balances:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Industrial Operations Fund</u>	<u>Recreation Fund</u>	<u>Solid Waste Fund</u>	<u>Blacktop Road Fund</u>
Net change in fund balance - budget basis	\$ 81,589	\$ (35,062)	\$ 92,694	\$ 54,045	\$ 210,513	\$ 406,141
Adjustments:						
Receivables	(16,851)	23,692	(26,316)	24,194	(116,882)	-
Interfund balances	32,994	565	-	(3,832)	154,257	-
Payables	2,480	3,143	(10,308)	1,749	-	-
Other	(4,269)	-	-	-	-	-
Net change in fund balance - GAAP basis	<u>\$ 95,943</u>	<u>\$ (7,662)</u>	<u>\$ 56,070</u>	<u>\$ 76,156</u>	<u>\$ 247,888</u>	<u>\$ 406,141</u>

The following schedule reconciles actual ending fund balances as shown on the budgetary statements to cash on the balance sheet:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Industrial Operations Fund</u>	<u>Recreation Fund</u>	<u>Solid Waste Fund</u>	<u>Blacktop Road Fund</u>
Fund balance at end of year - budget basis	\$ 1,501,860	\$ 692,258	\$ 790,606	\$ 1,105,563	\$ 1,585,909	\$ 2,210,355
Cash - payroll	3,300	-	-	-	-	-
Cash - FEMA grant project	57,698	-	-	-	-	-
Cash on balance sheet	<u>\$ 1,562,858</u>	<u>\$ 692,258</u>	<u>\$ 790,606</u>	<u>\$ 1,105,563</u>	<u>\$ 1,585,909</u>	<u>\$ 2,210,355</u>

Use of estimates

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 2 - CASH AND CASH EQUIVALENTS

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

At December 31, 2019, the police jury has cash and cash equivalents (book balances) totaling \$9,888,933, as follows:

Demand deposits	\$ 7,287,428
Time deposits	<u>2,391,684</u>
Total Governmental	<u>\$ 9,679,112</u>
Sales Tax Agency Fund	<u>209,821</u>
Total	<u><u>\$ 9,888,933</u></u>

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

As of December 31, 2019, \$9,990,984 of the police jury's bank balances of \$10,845,616 was exposed to custodial credit risk as follows:

Insured by FDIC	<u>\$ 854,632</u>
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	2,490,984
Letter of credit	<u>7,500,000</u>
Total balances exposed to custodial credit risk	<u>9,990,984</u>
Total bank balances	<u><u>\$10,845,616</u></u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 3 – RECEIVABLES

The receivables of \$2,025,511 at December 31, 2019, are as follows:

	Taxes	Due from Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 334,820	\$ 10,656	\$ 13,672	\$ -	\$ 1,315	\$ 360,463
Road Maintenance	535,005	-	38,778	-	221	574,004
Industrial Operations	341,308	-	-	-	-	341,308
Recreation	346,290	-	15,295	-	-	361,585
Other governmental	336,327	-	-	8,406	43,418	388,151
Total	\$ 1,893,750	\$ 10,656	\$ 67,745	\$ 8,406	\$ 44,954	\$ 2,025,511

NOTE 4 - INTERFUND TRANSFERS AND BALANCES

At December 31, 2019, interfund balances were as follows:

	Due from	Due to				Total
		General	Road Maintenance	Solid Waste	Other Governmental	
Other governmental	\$ -	\$ -	\$ -	\$ 6	\$ 6	
Sales Tax Agency Fund	28,996	18,941	154,257	-	202,194	
Total	\$ 28,996	\$ 18,941	\$ 154,257	\$ 6	\$ 202,200	

The Sales Tax Fund owes the General Fund, Road Maintenance Fund, and Solid Waste Fund sales taxes that were deposited in December 2019.

The following details interfund transfers for the year ended December 31, 2019:

	Transfers in	Transfers out			Total
		General	Solid Waste	Industrial Operations	
Blacktop Road	\$ -	\$ 750,000	\$ -	\$ 750,000	
Other governmental	20,000	-	50,000	70,000	
Total	\$ 20,000	\$ 750,000	\$ 50,000	\$ 820,000	

The General Fund transferred \$20,000 to the Criminal Court Fund to cover expenditures of the Court. The Solid Waste Fund transferred \$750,000 to the Blacktop Road Fund in accordance with the property tax process verbal and the annual budget. The Industrial Operations Fund transferred \$50,000 to the E-911 Fund to support operations.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 5 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 521,170	\$ 23,750	\$ -	\$ 544,920
Construction in progress	18,048,394	2,843,804	-	20,892,198
Total capital assets not being depreciated	<u>18,569,564</u>	<u>2,867,554</u>	<u>-</u>	<u>21,437,118</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	48,649,923	-	-	48,649,923
Bridges	662,997	-	-	662,997
Buildings and improvements	3,239,185	-	(6,193)	3,232,992
Land improvements	716,214	36,200	-	752,414
Heavy equipment	1,552,481	-	-	1,552,481
Vehicles	1,169,907	73,999	-	1,243,906
Public works equipment	382,720	-	-	382,720
Office furniture and equipment	551,226	17,633	(33,014)	535,845
Total capital assets being depreciated	<u>56,924,653</u>	<u>127,832</u>	<u>(39,207)</u>	<u>57,013,278</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(46,944,623)	(149,923)	-	(47,094,546)
Bridges	(645,665)	(667)	-	(646,332)
Buildings and improvements	(2,703,756)	(36,216)	6,193	(2,733,779)
Land improvements	(339,177)	(32,433)	-	(371,610)
Heavy equipment	(1,429,946)	(37,155)	-	(1,467,101)
Vehicles	(1,169,006)	(2,544)	-	(1,171,550)
Public works equipment	(237,881)	(33,220)	-	(271,101)
Office furniture and equipment	(503,016)	(23,025)	31,620	(494,421)
Total accumulated depreciation	<u>(53,973,070)</u>	<u>(315,183)</u>	<u>37,813</u>	<u>(54,250,440)</u>
Total capital assets being depreciated, net	<u>2,951,583</u>	<u>(187,351)</u>	<u>(1,394)</u>	<u>2,762,838</u>
Total capital assets, net	<u>\$ 21,521,147</u>	<u>\$ 2,680,203</u>	<u>\$ (1,394)</u>	<u>\$ 24,199,956</u>

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

Depreciation expense by function:	
General government	\$ 14,146
Public safety	23,173
Public works	232,492
Health and welfare	4,829
Culture and recreation	40,543
Total	<u>\$ 315,183</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 6 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2019:

	Compensated	Net Pension	
	<u>Absences</u>	<u>Liability (Asset)</u>	<u>Total</u>
Beginning of the year	\$ 126,323	\$ (31,619)	\$ 94,704
Additions	79,822	701,752	781,574
Deductions	<u>(79,822)</u>	<u>(10,819)</u>	<u>(90,641)</u>
End of the year	<u>\$ 126,323</u>	<u>\$ 659,314</u>	<u>\$ 785,637</u>

As discussed in Note 1, upon separation from service, employees are paid for accumulated vacation leave at their then current rate of pay. Historically, adjustments to the compensated absences liability included adjusting the ending liability to ending pay rates and to limitations on the hours for which an employee will be paid. Management concluded that the 2018 liability balance is a fair estimate of the liability as of December 31, 2019. Additions were estimated. Deductions were assumed to be equal to additions to arrive at the same liability.

The net pension liability (asset) includes a liability of \$602,765, \$31,643, and \$24,906 for the Parochial Employees' Retirement System, the Registrar of Voters' Retirement System, and the District Attorney's Retirement System, respectively.

NOTE 7 – RETIREMENT SYSTEMS

Retirement Systems

Parochial Employees' Retirement System of Louisiana (System)

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

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

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

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

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

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

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

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

Under Plan A, members are required to contribute 9.50% of their annual covered salary with the Police Jury being required to contribute 11.50% of the annual covered payroll. Contributions to the system also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the year ended December 31, 2019 totaled \$95,705.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

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

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

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

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

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

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

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Registrar of Voters Employees’ Retirement System of Louisiana (System) (Continued)

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

Members are required to contribute 7.00% of their annual covered salary with the Police Jury being required to contribute 18.00% of the annual covered payroll. The Police Jury’s contributions to the System for the year ended December 31, 2019 totaled \$4,149.

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

District Attorney’s Retirement System of Louisiana (System)

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

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

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

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

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

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

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. The report may be obtained by writing to the District Attorneys’ Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824, or by visiting the System’s website www.ladars.org. Members are required to contribute 8.00% of their annual covered salary with the Police Jury being required to contribute 4.00% of the annual covered payroll. Contributions to the System for the year ended December 31, 2019 totaled \$1,194.

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 8 - RISK MANAGEMENT

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

NOTE 9 – COMMITMENTS AND CONTINGENCIES

At December 31, 2019, the police jury was not involved in any lawsuits.

NOTE 10 – BAYOU DE CHENE RESERVOIR PROJECT

Act 423 of the 1977 session of the legislature created the reservoir commission and established its powers. The police jury is constructing the Bayou de Chene Reservoir with grant funds provided by the Louisiana Department of Transportation and Development. At December 31, 2019, the police jury had expended a total of \$20,369,362 of grant funds on the project, which is included in construction in progress in Note 5.

NOTE 11 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2020, the date on which the financial statements were available to be issued. Operations of the Police Jury are impacted by the pandemic caused by the Coronavirus/COVID-19. The Police Jury is uncertain how and to what extent the pandemic will negatively affect operations, financial position, and the ability to provide services.

NOTE 12 –NEW ACCOUNTING STANDARDS

The following summaries of recently issued Statements include the Statements' original effective dates. In response to the COVID-19 global pandemic, GASB issued Statement Number 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which changes effective dates for Statements 83 through 93 to June 15, 2019 through December 31, 2022.

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 12 –NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 12 –NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

Required Supplemental Information

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 245,000	\$ 245,000	\$ 252,042	\$ 7,042
Sales and use	240,000	240,000	277,026	37,026
Other taxes, penalties, and interest	6,100	6,100	8,577	2,477
Licenses and permits	150,000	150,000	155,194	5,194
Intergovernmental funds:				
Federal funds	137,000	142,000	148,659	6,659
State funds:				
Severance taxes	253,500	253,500	231,520	(21,980)
State revenue sharing	12,000	12,000	11,676	(324)
Other state funds	45,100	45,100	42,795	(2,305)
Fees, charges, and commissions for services	1,000	1,000	525	(475)
Use of money and property	6,000	6,000	16,777	10,777
Other revenues	-	-	1,018	1,018
Total revenues	<u>1,095,700</u>	<u>1,100,700</u>	<u>1,145,809</u>	<u>45,109</u>
Expenditures:				
Current:				
General government	714,700	767,700	646,759	120,941
Public safety	235,000	244,000	274,992	(30,992)
Health and welfare	65,000	65,000	75,953	(10,953)
Economic development and assistance	-	-	40,012	(40,012)
Transportation	-	-	6,504	(6,504)
Total expenditures	<u>1,014,700</u>	<u>1,076,700</u>	<u>1,044,220</u>	<u>32,480</u>
Excess (deficiency) of revenues over expenditures	81,000	24,000	101,589	77,589
Other sources (uses):				
Operating transfers out	<u>(60,000)</u>	<u>(40,000)</u>	<u>(20,000)</u>	<u>20,000</u>
Net change in fund balances	21,000	(16,000)	81,589	97,589
Fund balances at beginning of year	<u>1,308,792</u>	<u>1,410,932</u>	<u>1,420,271</u>	<u>9,339</u>
Fund balances at end of year	<u>\$ 1,329,792</u>	<u>\$ 1,394,932</u>	<u>\$ 1,501,860</u>	<u>\$ 106,928</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 500,000	\$ 500,000	\$ 460,942	\$ (39,058)
Sales and use	170,000	170,000	182,783	12,783
Other taxes, penalties, and interest	200	200	-	(200)
State funds:				
State revenue sharing	24,000	24,000	23,378	(622)
Parish transportation	175,000	175,000	184,055	9,055
Other state funds	-	-	19,450	19,450
Fees, charges, and commissions for services	75,000	75,000	88,663	13,663
Use of money and property	1,500	1,500	2,824	1,324
Other revenues	-	-	1,857	1,857
Total revenues	<u>945,700</u>	<u>945,700</u>	<u>963,952</u>	<u>18,252</u>
Expenditures:				
Current:				
Public works	1,034,000	1,063,000	1,037,646	25,354
Capital outlay	50,000	80,000	73,999	6,001
Total expenditures	<u>1,084,000</u>	<u>1,143,000</u>	<u>1,111,645</u>	<u>31,355</u>
Excess (deficiency) of revenues over expenditures	<u>(138,300)</u>	<u>(197,300)</u>	<u>(147,693)</u>	<u>49,607</u>
Other sources (uses):				
Operating transfers in	25,000	40,000	112,631	72,631
Total other sources (uses)	<u>25,000</u>	<u>40,000</u>	<u>112,631</u>	<u>72,631</u>
Net change in fund balances	(113,300)	(157,300)	(35,062)	122,238
Fund balances at beginning of year	676,484	727,320	727,320	-
Fund balances at end of year	<u>\$ 563,184</u>	<u>\$ 570,020</u>	<u>\$ 692,258</u>	<u>\$ 122,238</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - INDUSTRIAL OPERATIONS SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 305,000	\$ 320,000	\$ 340,262	\$ 20,262
Other taxes, penalties, and interest	160	160	-	(160)
Use of money and property	1,500	1,500	1,957	457
Total revenues	<u>306,660</u>	<u>321,660</u>	<u>342,219</u>	<u>20,559</u>
Expenditures:				
Current:				
Economic development and assistance	<u>231,920</u>	<u>199,900</u>	<u>199,525</u>	<u>375</u>
Excess (deficiency) of revenues over expenditures	74,740	121,760	142,694	20,934
Other sources (uses):				
Operating transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	24,740	71,760	92,694	20,934
Fund balances at beginning of year	<u>670,542</u>	<u>697,912</u>	<u>697,912</u>	<u>-</u>
Fund balances at end of year	<u>\$ 695,282</u>	<u>\$ 769,672</u>	<u>\$ 790,606</u>	<u>\$ 20,934</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - RECREATION FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 320,000	\$ 330,000	\$ 351,752	\$ 21,752
Other taxes, penalties, and interest	100	100	-	(100)
Licenses and permits	15,000	15,000	13,020	(1,980)
Intergovernmental funds:				
State funds:				
State revenue sharing	15,000	15,000	15,131	131
Use of money and property	3,000	3,000	7,306	4,306
Total revenues	<u>353,100</u>	<u>363,100</u>	<u>387,209</u>	<u>24,109</u>
Expenditures:				
Current:				
Culture and recreation	349,700	341,200	271,846	69,354
Capital outlay	100,000	150,000	61,318	88,682
Total expenditures	<u>449,700</u>	<u>491,200</u>	<u>333,164</u>	<u>158,036</u>
Net change in fund balances	(96,600)	(128,100)	54,045	182,145
Fund balances at beginning of year	<u>897,224</u>	<u>1,051,519</u>	<u>1,051,519</u>	<u>-</u>
Fund balances at end of year	<u>\$ 800,624</u>	<u>\$ 923,419</u>	<u>\$ 1,105,564</u>	<u>\$ 182,145</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SOLID WASTE SPECIAL REVENUE FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Sales and use	\$ 1,400,000	\$ 1,400,000	\$ 1,516,515	\$ 116,515
Use of money and property	5,000	5,000	11,129	6,129
Total revenues	<u>1,405,000</u>	<u>1,405,000</u>	<u>1,527,644</u>	<u>122,644</u>
Expenditures:				
Current:				
Public works	<u>575,000</u>	<u>577,500</u>	<u>567,131</u>	<u>10,369</u>
Excess (deficiency) of revenues over expenditures	830,000	827,500	960,513	133,013
Other sources (uses):				
Operating transfers out	<u>(750,000)</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>
Net change in fund balances	80,000	77,500	210,513	133,013
Fund balances at beginning of year	<u>1,224,422</u>	<u>1,375,398</u>	<u>1,375,397</u>	<u>(1)</u>
Fund balances at end of year	<u>\$ 1,304,422</u>	<u>\$ 1,452,898</u>	<u>\$ 1,585,910</u>	<u>\$ 133,012</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - BLACKTOP ROAD SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Use of money and property	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 12,853</u>	<u>\$ 8,853</u>
Expenditures:				
Current:				
Public works	<u>477,500</u>	<u>479,000</u>	<u>356,712</u>	<u>122,288</u>
Excess (deficiency) of revenues over expenditures	<u>(473,500)</u>	<u>(475,000)</u>	<u>(343,859)</u>	<u>131,141</u>
Other sources (uses):				
Operating transfers in	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Net change in fund balances	<u>276,500</u>	<u>275,000</u>	<u>406,141</u>	<u>131,141</u>
Fund balances at beginning of year	<u>1,312,350</u>	<u>1,804,214</u>	<u>1,804,214</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,588,850</u>	<u>\$ 2,079,214</u>	<u>\$ 2,210,355</u>	<u>\$ 131,141</u>

Other Information

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

Nonmajor Governmental Funds - Special Revenue Funds

Courthouse and Jail Maintenance Fund

The Courthouse and Jail Maintenance Fund accounts for the maintenance and operation of the parish courthouse and jail. Financing is provided by a parish-wide ad valorem tax.

Health Unit Maintenance Fund

The Health Unit Maintenance Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax.

Criminal Court Fund

The Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney and conviction fees in criminal cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

Witness Fee Fund

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

911 Emergency Fund

The 911 Emergency Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Caldwell Parish. Financing is provided by a five-percent service charge on local telephone service within the parish.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2019**

	COURTHOUSE AND JAIL MAINTENANCE	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
ASSETS						
Cash and cash equivalents	\$ 578,091	\$ 489,037	\$ 11,951	\$ 351	\$ 624,230	\$ 1,703,660
Receivables	203,664	132,663	13,530	-	38,294	388,151
TOTAL ASSETS	\$ 781,755	\$ 621,700	\$ 25,481	\$ 351	\$ 662,524	\$ 2,091,811
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 10,813	\$ 5,318	\$ -	\$ -	\$ -	\$ 16,131
Salaries and related payables	346	248	783	-	619	1,996
Due to other funds	-	-	6	-	-	6
Total liabilities	11,159	5,566	789	-	619	18,133
Fund equity - fund balances:						
Restricted	770,596	616,134	24,692	351	661,905	2,073,678
Total fund equity - fund balances	770,596	616,134	24,692	351	661,905	2,073,678
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 781,755	\$ 621,700	\$ 25,481	\$ 351	\$ 662,524	\$ 2,091,811

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	COURTHOUSE AND JAIL MAINTENANCE	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
Revenues:						
Taxes:						
Ad valorem	\$ 206,250	\$ 134,679	\$ -	\$ -	\$ -	\$ 340,929
Licenses and permits	-	-	-	-	7,190	7,190
Fees, charges, and commissions for services	-	-	-	-	195,087	195,087
Fines and forfeitures	-	-	149,203	25	-	149,228
Use of money and property	2,050	3,559	-	1	3,079	8,689
Other revenues	-	270	106	-	-	376
Total revenues	<u>208,300</u>	<u>138,508</u>	<u>149,309</u>	<u>26</u>	<u>205,356</u>	<u>701,499</u>
Expenditures:						
Current:						
General government:						
Judicial	-	-	168,800	-	-	168,800
Other general government	135,001	-	-	-	-	135,001
Public safety	-	-	-	-	147,738	147,738
Public works	-	-	105	-	-	105
Health and welfare	-	116,329	-	-	-	116,329
Capital outlay	-	-	-	-	17,632	17,632
Total expenditures	<u>135,001</u>	<u>116,329</u>	<u>168,905</u>	<u>-</u>	<u>165,370</u>	<u>585,605</u>
Excess (deficiency) of revenues over expenditures	<u>73,299</u>	<u>22,179</u>	<u>(19,596)</u>	<u>26</u>	<u>39,986</u>	<u>115,894</u>
Other sources (uses):						
Operating transfers in	-	-	20,000	-	50,000	70,000
Total other sources (uses)	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>50,000</u>	<u>70,000</u>
Net change in fund balances	73,299	22,179	404	26	89,986	185,894
Fund balances at beginning of year	<u>697,297</u>	<u>593,955</u>	<u>24,288</u>	<u>325</u>	<u>571,919</u>	<u>1,887,784</u>
Fund balances at end of year	<u>\$ 770,596</u>	<u>\$ 616,134</u>	<u>\$ 24,692</u>	<u>\$ 351</u>	<u>\$ 661,905</u>	<u>\$ 2,073,678</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

Compensation Paid Police Jurors

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$1,200 per month and the other jurors receive \$1,100 per month.

**Compensation, Benefits, Reimbursements, and other Payments
to Agency Head (President)**

The schedule of compensation, benefits, reimbursements, and other payments is presented in compliance with Act 706 of the 2015 Session of the Louisiana Legislature. The expenditures are included in the legislative expenditures of the General Fund.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2019

Glenn Barnhill	\$ 13,200
Aubrey M. Bratton	13,200
Bennett L. Clark, President	14,400
Lanny Dark	13,200
Manuel Escalon	7,700
Kenneth Graham	13,200
Angela E. Knight	4,613
Don K. Martin	13,200
Total	<u>\$ 92,713</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO AGENCY HEAD (PRESIDENT)
FOR THE YEAR ENDED DECEMBER 31, 2019**

Bennett L. Clark, President:

Salaries	\$	14,400
Medicare		209
Social Security		<u>893</u>
Total	\$	<u><u>15,502</u></u>

Other Reports



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

To the Honorable President and Members of the
Caldwell Parish Police Jury
Columbia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caldwell Parish Police Jury, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Caldwell Parish Police Jury's basic financial statements and have issued our report thereon dated June 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Caldwell Parish Police 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 Caldwell Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Caldwell Parish Police Jury's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and responses, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2019-001 to be a material weakness.

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. We consider the deficiency described in the accompany schedule of findings and responses as item 2019-002 to be a significant deficiency.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance, etc.
December 31, 2019

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Caldwell Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Caldwell Parish Police Jury's Response to Findings

Caldwell Parish Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Caldwell Parish Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 30, 2020

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund of the Caldwell Parish Police Jury. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses an adverse opinion on the aggregate discretely presented component units and a qualified opinion the aggregate remaining fund information. The component units issue separate financial statements.
2. One material weakness is reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. One significant deficiency relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No instances of noncompliance material to the financial statements of the Caldwell Parish Police Jury were disclosed during the audit.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2019-001 – Overpayment to Industrial Development Board

First Reported

2017

Type

Material Weakness in Internal Control

Condition

Voters of the Parish approved an ad valorem tax for Economic Development. A portion of the tax is dedicated to the police jury's Industrial Operations and 911 Funds. The remaining balance is transferred to the Industrial Development District. During the 2017 audit, we discovered that previous transfers were calculated at gross, before the Sheriff deducted the amounts he is required to remit to state retirement systems.

During 2018, the Police Jury transferred \$206,318 which was gross taxes collected during 2017 plus bank interest.

In early 2019, the Police Jury transferred \$161,671.09. The 2019 check was calculated as 2018 receipts less the previous overpayments (pension deducts from prior years). Reviewing the calculation, we noticed that the documentation stated that amounts deducted were for tax roll years 2009-2017 pension deductions. However, there were only six amounts included. There were no amounts for 2014-2016. Additionally, there was an input error on the calculator. The calculator tape showed \$700.35 was entered instead of \$7,000.35. Finally, \$7,130.73 was deducted for 2018 instead of \$7,139.73.

In early 2020, the police jury issued a check for 2019 plus the balance owed for previous years, clearing the errors.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

Criteria

The Police Jury was required to remit the net amount of taxes collected. Remitting gross amounts results in cash outflows to the Industrial Development Board larger than cash inflows from the Sheriff.

Standards for Internal Control in the Federal Government, known as the "Green Book," sets the standards for an effective internal control system for federal agencies. The five elements of internal control outlined in the Green Book and in other guidance are: control environment, risk assessment, control activities, communication, and monitoring.

Cause

The internal control system does not include all required elements. Supervision, review, and monitoring were not included or not properly designed. The internal control system does not include policies and procedures requiring review of such calculations by someone other than the preparer.

Effect

Known overpayments include \$33,378.79 for years 2009 through 2017 and \$7,139.73 for 2018. We estimated the liability at 2018. The police jury remitted checks in 2018 and 2019 to correct the errors. However, there are errors in those checks as well as described above. At December 31, 2019, the police jury owed the district \$9,935.79. That amount was settled in January 2020.

Recommendation

We previously recommended that the Police Jury ensure that management evaluates current policies and procedures and updates them, in writing, to ensure that the risk of errors is reduced to an acceptable level. Policies and procedures must address all five elements of internal control. There must be a preparer and a reviewer for each transaction and each accounting record. The System must include some degree of monitoring to ensure the controls are functioning as intended.

A new secretary-treasurer took office in December 2019. She has indicated that she is implementing monitoring procedures and evaluating internal control for all areas. We recommend she continue to implement as many best practices as possible.

Management's Response

See management's corrective action plan.

2019-002 Internal Control over Collections at 911 and Recreation District

First Reported

2018

Type

Significant Deficiency in Internal Control

Condition

Our test of collections and deposits disclosed that:

1. Deposits for the Recreation District and E911 are not made on a timely basis.
2. One Recreation District deposit exceeded the related receipts by \$60.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

Criteria

Best Practices for collections and deposits include:

1. The use of prenumbered receipts unless issuing receipts from accounting software
2. Preparation of deposit slips with documentation of included receipt numbers
3. Reconciliation of receipts to deposit and general ledger
4. Daily deposits
5. Review of receipts, deposits, and receipts journal/general ledger
6. Proper segregation of duties

Standards for Internal Control in the Federal Government, known as the "Green Book," sets the standards for an effective internal control system for federal agencies. The five elements of internal control outlined in the Green Book and in other guidance are: control environment, risk assessment, control activities, communication, and monitoring.

Cause

The internal control system does not include all required elements. Supervision, review, and monitoring are not included or not properly designed.

Effect

Collections could be lost or stolen. Financial reporting is not timely, so reporting is not complete at times.

Recommendation

We previously recommended that the Police Jury ensure that management evaluates current policies and procedures and updates them, in writing, to ensure that the risk of errors is reduced to an acceptable level. Policies and procedures must address all five elements of internal control. There must be a preparer and a reviewer for each transaction and each accounting record. The System must include some degree of monitoring to ensure the controls are functioning as intended.

A new secretary-treasurer took office in December 2019. She has indicated that she is implementing monitoring procedures and evaluating internal control for all areas. We recommend she continue to implement as many best practices as possible.

Management's Response

See management's corrective action plan.

C. STATUS OF PRIOR YEAR FINDINGS

2018-001 Overpayment to Industrial Development Board

This finding is repeated as 2019-001.

2018-002 Payroll Transactions Improperly Recorded at Year End

This finding is resolved.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

2018-003 Bookkeeping Errors

This finding is resolved.

2018-004 Internal Control over Collections

This finding is repeated as 2019-002.

2018-005 Payroll Appears to be Routinely Processed Before Period End

This finding is resolved.

ML2018-001 Comprehensive Road Department Policies and Procedures

This comment is resolved.

Caldwell Parish Police Jury

Post Office Box 1737 Columbia, Louisiana 71418
Phone 318.649.2681 - Fax 318.649.5930

Kenneth "Speck" Graham
President

Kevin Martin
Vice President

Cheryl Lively
Secretary/Treasurer

June 30, 2019

Bosch & Statham, LLC
Post Office Box 2377
Ruston, LA 71273-2377

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2019 through December 31, 2019, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (should be customized by entity, as applicable).

Yes No
2. For the fiscal period January 1, 2019 through December 31, 2019, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No
4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No
5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2019, and June 30, 2019.

Yes No
6. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes No

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes No
17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.

Yes No

18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.

Yes No

19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.

Yes No

20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.

Yes No

21. We have disclosed to you [*list other matters as you have deemed appropriate*].

Yes No

22. We have responded fully to all inquiries made by you during the engagement.

Yes No

23. We are not aware of any events that have occurred subsequent to December 31, 2019, that would require adjustment to or modification of the results of the agreed-upon procedures.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature Cheryl R. C. [Handwritten Signature] Date June 30, 20

Title Secretary-Treasurer

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Caldwell Parish Police Jury
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Caldwell Parish Police Jury (Entity) 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 Entity'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

1. Obtain the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

We obtained and inspected the Jury's policies and procedures.

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

The policy included all required elements.

Exceptions: None

- 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 policy included all required elements.

Exceptions: None

- c) **Disbursements**, including processing, reviewing, and approving

The policy included all required elements.

Exceptions: None

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2019**

- d) **Receipts**, 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 policy did not include management's actions to determine the completeness of all collections.

Exceptions: See above.

Management's Response:

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

The policy included the approving of attendance records.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

- 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 policy included (3) legal review and (4) the approval process.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- 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 policy did not include (2) allowable business uses.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

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

The policy included all required elements.

Exceptions: None.

- 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 entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

The policy included the (3) system to monitor possible ethics violations.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

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

The policy included all required elements.

Exceptions: None

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2019**

- 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 tolls needed to recover operations after a critical event.

We noted no such policy.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

Board (or Finance Committee, if applicable)

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

We obtained and inspected minutes for the police jury and finance committee meetings for the fiscal period.

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

We observed that the board met at least monthly. However, the finance committee met twice during the fiscal period.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Police jury minutes for nine out of twenty-five meetings referenced or included monthly budget to actual reports. The minutes for both finance committee meetings included budget to actual comparisons.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

We obtained the prior year audit report. The unassigned fund balance in the general fund was a positive balance.

Exceptions: None.

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Bank Reconciliations

3. 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 entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

We obtained a listing of accounts and selected accounts for testing. Management identified the main operating account, and we selected additional accounts for testing. We also selected the month of November and obtained and inspected the relevant documentation.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

We noted all five bank reconciliations were prepared within two months of the statement date.

Exceptions: None

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

We noted all five bank reconciliations included evidence that management reviewed the reconciliations. However, the notations were not initialed or dated.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

None of the reconciliations included stale items outstanding for more than twelve months.

Exceptions: None

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

We obtained a listing of deposit sites for the fiscal period and management's representation that the listing is complete. There were 3 deposit sites on the list.

Exceptions: None

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
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5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 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:

We obtained a list of collection locations for each deposit site listed. We obtained management's representation that the listing is complete. We inquired of employees about their job duties to determine how duties are segregated.

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

We noted employees do share a cash drawer at the Recreation Center and the E-911 office. We noted there is only one person who collects cash at the Road Barn.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- 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.

Deposits are made by the director of the Recreation Center, the director of the E-911 office, and the Road Maintenance director. Each of these employees also collect cash. The deposits are not reconciled to collection documentation by any other employee.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

We noted no employees responsible for collecting cash are responsible for posting collection entries to the general ledger. Deposits are posted by the Assistant Secretary-Treasurer at the Police Jury office. The Assistant Secretary-Treasurer also prepares deposits for funds collected at the Road Barn.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- 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.

We noted no employee is responsible for reconciling cash collections to the general ledger.

Exceptions: See above.

Management's Response: See management's corrective action plan.

**CALDWELL PARISH POLICE JURY
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6. Inquire of management that all employees who have access to cash covered by a board or insurance policy for theft.

We noted all employees are covered under insurance.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day) . Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two deposit dates for each of the five bank accounts selected for the Bank Reconciliations procedure. We obtained the supporting documentation for each of those deposits.

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

We noted no deposits tested were supported by receipts, as all were either interest income deposited directly into the bank account or checks mailed in, for which the Police Jury does not issue a receipt.

Exceptions: See above

Management's Response: See management's corrective action plan.

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

We were unable to perform this step, as there were no receipts written.

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

We noted no exceptions.

- 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 10 miles from the collection location or the deposit is less than \$100).

We noted two of ten deposits were deposited within one day of collection. We were unable to perform this procedure for eight of ten deposits, as the receipt dates for checks were not documented.

Exceptions: See above

Management's Response: See management's corrective action plan

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

We noted no exceptions.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select locations (or all locations if less than 5).

We obtained a listing of locations that process payments and management's representation that the listing is complete. There was only one location on the list.

Exceptions: None

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

We obtained a listing of employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties.

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

We noted that the entity does not incorporate purchase requisitions in the purchasing system. Therefore, there is no documentation that two or more employees are involved in initiating a purchase. Two or more employees are involved in approving a purchase and placing an order/making the purchase. However, according to the entities policies, it is possible for some transactions that the same person completes all purchasing functions.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

We noted at least two employees are involved in processing and approving payments to vendors. Checks are prepared by the Assistant Treasurer and must be signed by The Secretary-Treasurer, and the Police Jury President.

Exceptions: None

- 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.

The employees responsible for processing payments are allowed to add/modify vendor files. We noted no employee who periodically reviews those changes.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- 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.

Checks are mailed by the employee who prepares them after they are signed by the appropriate official.

Exceptions: See above.

Management's Response: See management's corrective action plan.

**CALDWELL PARISH POLICE JURY
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10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

We obtained the entity's non-payroll disbursement transaction population and management's representation that the listing is complete. We randomly selected 5 disbursements for the location on the listing provided by management.

- a) Observe that the disbursement matched the related original invoice/billing statement.

We noted no exceptions.

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

See above.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

We obtained a listing from management of all active credit cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

We selected all cards on the list, as there were five. However, two of the five cards had no activity for the fiscal period. Therefore, three cards were tested. We randomly selected one monthly statement for the three cards tested and obtained the supporting documentation for each.

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

We noted none of the three statements selected for testing were reviewed and approved in writing.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

We noted no exceptions.

**CALDWELL PARISH POLICE JURY
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13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We selected all transactions from the three statements tested, as all had less than ten charges for the months selected. We obtained the supporting documentation for each transaction tested.

- (1) We noted no exceptions.*
- (2) We noted one transaction was not supported by documentation of the business/public purpose.*
- (3) We noted no charges for meals.*

We noted no transactions with missing receipts.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

We exported travel expense accounts from the entity's general ledger to serve as our list of travel and travel-related expense reimbursements. We obtained management's representation that the listing is complete. We randomly selected 5 reimbursements and obtained the relating supporting documentation for each.

- 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).

We noted all five reimbursements agreed to the reimbursement rate established by the GSA.

- b) 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).

We noted no reimbursements selected for testing were reimbursed using actual costs.

- 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).

We noted no exceptions.

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

We noted two reimbursements that were required to be reviewed were not. Three of the five reimbursements selected for testing were reimbursed to department heads. Per policy, policy heads are the personnel with authority to approve travel.

Exceptions: See above.

Management's Response: See management's corrective action plan.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

We requested the aforementioned list from management. Per management, there were no new or amended contracts.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

There were no new or amended contracts.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

There were no new or amended contracts.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

There were no new or amended contracts.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

There were no new or amended contracts.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We extracted a listing of employees and elected officials from the accounting software. We selected five employees for testing and obtained the related documentation. We agreed the paid rates to the authorized rates in the personnel files.

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
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17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We selected one pay period for testing and obtained the related documentation.

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

We observed all employees documented their daily attendance and leave.

Exceptions: None.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Supervisor approval was not documented for one employee. Supervisor approval was not documented for the only employee who used leave time during the period.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

We noted no exceptions.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

We obtained a listing of employees/officials that received a termination payment. We selected two employees and obtained the related documentation. We agreed the hours paid to the hours owed per the leave records. We agreed the paid rates to the authorized rates per the personnel file.

Exceptions: None.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

We obtained management's representation.

**CALDWELL PARISH POLICE JURY
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Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain ethics documentation from management, and:

Using the selected employees/officials, we obtained the ethics documentation from management, and observed the following:

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

Documentation was available for one out of five employees/officials.

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

Documentation was not available for any of the selected employees.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Management did not list any bonds/notes issued during the fiscal period. The representation letter includes a representation that the listing is complete.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Management did not list any bonds/notes outstanding at the end of the fiscal period. The representation letter includes a representation that the listing is complete.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

We requested a listing. Management is not aware of any misappropriations.

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

We observed the notice posted within the police jury office. The Police Jury does not own or operate a website as of year-end.

**CALDWELL PARISH POLICE JURY
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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.

BOSCH & STATHAM, LLC

A handwritten signature in blue ink that reads "Bosch & Statham".

Ruston, Louisiana
June 30, 2020

Caldwell Parish Police Jury

Post Office Box 1737 Columbia, Louisiana 71418
Phone 318.649.2681 - Fax 318.649.5930

Kenneth "Speck" Graham
President

Kevin Martin
Vice President

Cheryl Lively
Secretary/Treasurer

June 30, 2020

Bosch & Statham
P. O. Box 2377
Ruston, LA 71273-2377

Corrective Action Plan

2019-001 Over Payment to the Industrial Development Board

"The procedure in the past has been for one (1) employee to review the deposits made into the Industrial fund during the year and then have the Accounts Payable Clerk issue the payment. Our new procedure is for the Assistant Sec/Treasurer to review the deposits and then give me her documents for payment. Once I receive her review, I go to the Assessors/Millages, Pension Reports and compare to the amounts we receive from our Sheriff. When we both have a matching total, the information is given to the Accounts Payable Clerk and a check is issued.

2019-002 Internal Control over Collections at 911 and Recreation District

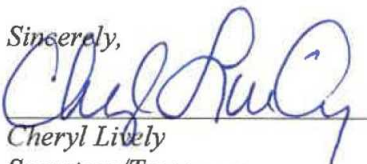
Recreation District: The Recreation Department adopted a Resolution agreeing to a "No Cash" policy and a Resolution agreeing to install a credit/debit card machine. The Recreation department only processes credit/debit and money order payments. All payments made at the Recreation Department are required to be deposited in the bank within 24 hours, unless on the weekends and brought to the Policy Jury within 48 hours of the deposit, to be recorded in Quick Books. All deposits and reconciling of credit/debit card payments are required to have (2) employee signatures.

911: The Police Jury adopted a "No Cash" policy on June 1, 2020, Resolution 20-038. All payments made in the 911 office must be check or money order. Payments made at the 911 Office are required to be deposited in the bank within 24 hours, unless on the weekends and brought to the Policy Jury within 48 hours of the deposit, to be recorded in Quick Books. All deposits and reconciling of check or money order payments are required to have (2) employee signatures.

Statewide AUPs

The Caldwell Parish Police Jury will take the auditor's comments under advisement and take action as considered necessary.

Sincerely,


Cheryl Lively
Secretary/Treasurer
Caldwell Parish Police Jury

District 1
Kenneth "Speck" Graham

District 2
Lanny Dark

District 3
Mark Black

District 4
Kevin Martin

District 5
Gary Watts

District 6
C.M. B-Line Exline

District 7
Holden Valentine