

Rapides Parish Sheriff

Alexandria, Louisiana

June 30, 2020

**Rapides Parish Sheriff
Alexandria, Louisiana**

June 30, 2020

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Rapides Parish Sheriff
Alexandria, Louisiana

June 30, 2020

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1946

Independent Auditor's Report

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff, Alexandria, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Rapides Parish Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, schedule of changes in total OPEB liability and related ratios, schedules of employer contributions, schedule of employer's share of net pension liability, and the notes to the required supplementary information on pages 42 through 47 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 the management's discussion and analysis 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.



PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rapides Parish Sheriff's basic financial statements. The statement of expenditures – budget and actual – general fund; the combining statement of fiduciary assets and liabilities – fiduciary fund types – all agency funds; the combining statement of changes in fiduciary assets and liabilities – fiduciary fund types – all agency funds; the schedule of compensation, benefits, and other payments to the agency head; the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the affidavit – tax collector fund on pages 49 through 58 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The combining statement of fiduciary assets and liabilities – fiduciary fund types – all agency funds; the combining statement of changes in fiduciary assets and liabilities – fiduciary fund types – all agency funds; the schedule of compensation, benefits, and other payments to the agency head; and the schedule of expenditures of federal awards have 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statement of expenditures – budget and actual – general fund and the affidavit – tax collector fund have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2021, on our consideration of the Rapides Parish Sheriff'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 Rapides Parish Sheriff'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 Rapides Parish Sheriff's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Payne, Moore & Herrington, LLP". The signature is written in a cursive, flowing style.

Certified Public Accountants
Alexandria, Louisiana

February 5, 2021

Basic Financial Statements

**Government-Wide
Financial Statements**

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Net Position
Governmental Activities
June 30, 2020**

Exhibit A

Assets		
Cash and cash equivalents		\$ 1,466,349
Certificates of deposit		6,000,000
Investments		1,267,515
Receivables		11,154,584
Accrued interest receivable		26,492
Due from fiduciary funds		137,122
Inventories		55,317
Prepaid expenses		466,999
Capital assets, net of depreciation		
Nondepreciable		
Land and improvements	819,145	
Depreciable		
Buildings	5,821,448	
Equipment and furniture	2,988,862	
Other capital assets	667,860	10,297,315
Total Assets		<u>30,871,693</u>
Deferred Outflows of Resources		
Deferred outflows related to pensions		8,238,676
Deferred outflows related to postemployment benefit obligations		6,719,076
Total Deferred Outflows of Resources		<u>14,957,752</u>
Liabilities		
Accounts payable		243,164
Payroll withholdings		524
Unearned revenue		45,928
Long-term liabilities		
Due in more than one year		
Postemployment benefit obligation	48,390,905	
Compensated absences	2,086,273	
Net pension liability	15,425,514	65,902,692
Total Liabilities		<u>66,192,308</u>
Deferred Inflows of Resources		
Deferred inflows related to pensions		3,893,941
Deferred inflows related to postemployment benefit obligations		1,092,786
Total Deferred Inflows of Resources		<u>4,986,727</u>
Net Position		
Net investment in capital assets		10,297,315
Unrestricted (deficit)		<u>(35,646,905)</u>
Total Net Position		<u>\$ (25,349,590)</u>

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

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Activities
Governmental Activities
Year Ended June 30, 2020**

Exhibit B

Functions/Programs	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Current					
Executive division	\$ 3,887,556	\$ -	\$ 44,219	\$ 6,002	\$ (3,837,335)
Bonds and fines division	424,986	-	-	-	(424,986)
Finance division	523,097	-	-	-	(523,097)
Human resources division	217,187	-	-	-	(217,187)
Tax department	342,022	52,716	-	-	(289,306)
Civil department	858,208	758,601	29,504	-	(70,103)
Maintenance/road crew	1,216,460	-	48,006	-	(1,168,454)
Corrections administration division	2,071,155	-	116,508	-	(1,954,647)
Corrections division (DC-1)	4,272,629	1,239,476	197,658	-	(2,835,495)
Corrections division (DC-2) and work release facility	6,813,897	4,566,283	276,278	-	(1,971,336)
Court and courthouse security	880,305	57,032	58,507	-	(764,766)
Investigative division	3,500,337	98,290	175,329	-	(3,226,718)
Drug enforcement division	1,455,470	-	72,831	-	(1,382,639)
Enforcement division	8,843,768	1,598,130	738,796	4,275	(6,502,567)
Support services division	816,088	16,050	-	-	(800,038)
School resource officers	4,654,433	-	371,438	-	(4,282,995)
Corrections division (DC-3)	5,133,546	3,725,109	195,259	-	(1,213,178)
Metro narcotics division	84,126	145,479	34,925	-	96,278
Total Governmental Activities	<u>\$ 45,995,270</u>	<u>\$ 12,257,166</u>	<u>\$ 2,359,258</u>	<u>\$ 10,277</u>	<u>(31,368,569)</u>
General Revenues					
Taxes					
Ad valorem taxes levied for general purposes					14,343,167
Sales taxes authorized for general purposes					13,635,049
Grants and contributions not restricted to specific programs					
State revenue sharing					575,929
Non-employer pension contributions					1,381,396
Other grants and contributions					17,350
Coronavirus relief fund resources					8,302,064
Interest earned					90,605
Other					168,779
Special item - loss on sale/disposal of assets					(17,764)
Total General Revenues					<u>38,496,575</u>
Change in Net Position					7,128,006
Net Position, Beginning of Year					<u>(32,477,596)</u>
Net Position, End of Year					<u>\$ (25,349,590)</u>

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

Fund Financial Statements

**Rapides Parish Sheriff
Alexandria, Louisiana
Balance Sheet
Governmental Funds
June 30, 2020**

Exhibit C

	General Fund	Other Governmental Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 1,466,349	\$ -	\$ 1,466,349
Certificates of deposit	6,000,000	-	6,000,000
Investments	1,267,515	-	1,267,515
Receivables	11,154,584	-	11,154,584
Accrued interest receivable	26,492	-	26,492
Due from other funds	137,122	-	137,122
Inventories	55,317	-	55,317
Prepaid expenses	466,999	-	466,999
	<u>\$ 20,574,378</u>	<u>\$ -</u>	<u>\$ 20,574,378</u>
Total Assets			
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 243,164	\$ -	\$ 243,164
Payroll withholdings	524	-	524
Unearned revenue	45,928	-	45,928
Total Liabilities	<u>289,616</u>	<u>-</u>	<u>289,616</u>
Fund Balances			
Nonspendable			
Inventories	55,317	-	55,317
Unassigned	20,229,445	-	20,229,445
Total Fund Balances	<u>20,284,762</u>	<u>-</u>	<u>20,284,762</u>
Total Liabilities and Fund Balances	<u>\$ 20,574,378</u>	<u>\$ -</u>	<u>\$ 20,574,378</u>

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

**Rapides Parish Sheriff
Alexandria, Louisiana
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2020**

Exhibit D

Total Fund Balances - Governmental Funds \$ 20,284,762

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in Governmental Funds.

Cost of capital assets	34,306,351	
Less - accumulated depreciation	(24,009,036)	10,297,315

Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the Governmental Funds, as follows:

Deferred outflows of resources	8,238,676
Deferred inflows of resources	(3,893,941)

Postemployment benefit obligation related deferred outflows of resources and deferred inflows of resources are not a use of current financial resources and, therefore, are not reported in the Governmental Funds.

Deferred outflows of resources	6,719,076
Deferred inflows of resources	(1,092,786)

Long-term liabilities are not due and payable in the current period. Accordingly, they are not reported as liabilities in the Governmental Funds. All liabilities are reported in the Statement of Net Position.

Postemployment benefit obligation	(48,390,905)	
Compensated absences	(2,086,273)	
Net pension liability	(15,425,514)	(65,902,692)

Total Net Position of Governmental Activities in the Statement of Net Position \$ (25,349,590)

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

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2020

Exhibit E

	General Fund	Other Governmental Fund	Total Governmental Funds
Revenues			
Taxes			
Ad valorem	\$ 14,343,167	\$ -	\$ 14,343,167
Sales	13,635,049	-	13,635,049
Intergovernmental	4,364,066	34,925	4,398,991
Coronavirus Relief Fund resources	8,302,064	-	8,302,064
Fees, commissions, etc.	10,565,191	145,479	10,710,670
Interest earned	90,605	-	90,605
Other	279,097	-	279,097
Total Revenues	<u>51,579,239</u>	<u>180,404</u>	<u>51,759,643</u>
Expenditures			
Current			
Executive division	3,559,300	-	3,559,300
Bonds and fines division	371,833	-	371,833
Finance division	468,731	-	468,731
Human resources division	197,349	-	197,349
Tax department	313,510	-	313,510
Civil department	759,057	-	759,057
Maintenance/road crew	1,042,406	-	1,042,406
Corrections administration division	1,797,570	-	1,797,570
Corrections division (DC-1)	3,868,608	-	3,868,608
Corrections division (DC-2) and work release facility	6,099,804	-	6,099,804
Court and courthouse security	786,505	-	786,505
Investigative division	3,046,654	-	3,046,654
Drug enforcement division	1,265,256	-	1,265,256
Enforcement division	7,804,167	-	7,804,167
Support services division	644,293	-	644,293
School resource officers	4,204,249	-	4,204,249
Corrections division (DC-3)	4,611,532	-	4,611,532
Metro narcotics division	-	87,167	87,167
Capital outlay	1,681,016	7,483	1,688,499
Total Expenditures	<u>42,521,840</u>	<u>94,650</u>	<u>42,616,490</u>
Excess (Deficiency) of Revenues Over Expenditures	9,057,399	85,754	9,143,153
Other Financing Sources (Uses)			
Transfers in	131,981	-	131,981
Transfers out	-	(131,981)	(131,981)
Sale of capital assets	14,529	-	14,529
Total Other Financing Sources (Uses)	<u>146,510</u>	<u>(131,981)</u>	<u>14,529</u>
Net Change in Fund Balances	9,203,909	(46,227)	9,157,682
Fund Balances, Beginning of Year	<u>11,080,853</u>	<u>46,227</u>	<u>11,127,080</u>
Fund Balances, End of Year	<u>\$ 20,284,762</u>	<u>\$ -</u>	<u>\$ 20,284,762</u>

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

Rapides Parish Sheriff
Alexandria, Louisiana
Reconciliation of Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2020

Exhibit F

Net Change in Fund Balances - Governmental Funds \$ 9,157,682

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the period.

Capital outlays reported in the funds	1,688,499	
Less - depreciation reported in the Statement of Activities	<u>(1,706,926)</u>	(18,427)

In the Statement of Activities, only the gain (loss) on the sale of the assets is reported, whereas in the Governmental Funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the assets sold.

Gain (loss) on the sale of assets	(17,764)	
Less - proceeds from the sale of assets	<u>(14,529)</u>	(32,293)

In the Statement of Activities, certain operating expenses, such as compensated absences (vacation/annual leave), worker's compensation claims, and liability claims are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

(Increase) decrease in postemployment benefit obligation	(1,936,617)	
(Increase) decrease in vacation/annual leave accrued	(72,169)	
(Increase) decrease in pension expense	<u>111,666</u>	(1,897,120)

Beginning with the current fiscal year, prepaid expenses are allocated over the period for which the expense is related in both Governmental Funds and the Statement of Activities.

Increase (decrease) in prepaid expenses		<u>(81,836)</u>
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Change in Net Position of Governmental Activities \$ 7,128,006

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

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2020

Exhibit G

Assets		
Cash and cash equivalents		1,856,139
Receivables		23,262
Due from other funds		6,699
Total Assets		\$ 1,886,100
Liabilities		
Due to other funds		143,821
Due to taxing bodies, inmates, and others		1,742,279
Total Liabilities		\$ 1,886,100

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

Notes to Basic Financial Statements

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

1. Reporting Entity and Summary of Significant Accounting Policies

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the Rapides Parish Sheriff (the Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of Rapides Parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, and other law enforcement activities. The Sheriff also serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, and other similar programs. When requested, the Sheriff also provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for the collection and distribution of ad valorem property taxes, state revenue sharing funds, fines, costs, and bond forfeitures imposed by the district court.

The financial statements of the Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations) constitutes GAAP for governmental units.

Reporting Entity

GASB establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Sheriff is considered a primary government, since it is a special purpose government that has a separately elected official, is legally separate, and is fiscally independent of other state or local governments. As described by generally accepted accounting principles established by GASB, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

For financial reporting purposes, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. This report only includes all funds that are controlled by or dependent upon the Sheriff.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Basis of Presentation

The Sheriff's basic financial statements consist of Government-Wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements – The Government-Wide Financial Statements, "*Statement of Net Position*" and "*Statement of Activities*", report information on all non-fiduciary activities of the Sheriff. These statements report financial information for the Sheriff as a whole.

Fiduciary funds are reported only in the "*Statement of Fiduciary Assets and Liabilities*" at the Fund Financial Statement level. Individual funds are not displayed, but the statements distinguish governmental activities, which normally are supported by taxes and intergovernmental revenues, from business-like activities (if any), generally financed in whole or in part by fees or charges. The activity of internal service funds (if any) is eliminated to avoid duplicating revenues and expenses. The Sheriff does not have any business-like activities or internal service funds. The Statement of Net Position presents the financial position of the governmental activities at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The Sheriff does not allocate indirect expenses to functions in the Statement of Activities. The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the Sheriff's services; (2) operating grants and contributions that are restricted to meeting the operational activities of a function; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which particular function program revenue pertains, the determining factor for charges for services is which particular function generates the revenue. For grants and contributions, the determining factor is to which particular functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales tax, state revenue sharing, interest, Coronavirus Relief Fund resources, and other unrestricted revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the Sheriff.

Fund Financial Statements – The financial transactions of the Sheriff are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Funds of the Sheriff are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate "fund types". The Sheriff uses governmental funds to account for all or most of the Sheriff's general activities, including the collection and disbursement of specifically or legally restricted monies (special revenue funds). The Fund Financial Statements report financial information by major funds and nonmajor funds.

A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least ten percent of the corresponding total for all governmental funds. The General Fund of the Sheriff is considered to be the major fund.

The General Fund is used to account for all activities of the general government not accounted for in some other fund. This fund is the primary operating fund of the Sheriff and it accounts for the operations of the Sheriff's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and internal policy.

The Drug Enforcement Fund of the Sheriff is considered to be a nonmajor fund. The Drug Enforcement Fund is used to account for the Edward Byrne Memorial Justice Assistance Grant restricted for the activities and transactions related to the Metro Narcotics Task Force. This task force was disbanded during the fiscal year ending June 30, 2020.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Sheriff accounts for its agency funds in this category. Agency funds consist of the Sheriff's Civil Fund, Tax Collector Fund, Cash Bond Fund, Fines and Costs Fund, Jail Inmate Fund, and Work Release Inmate Fund. They consist of monies deposited for civil suits, taxes, appearance bonds, fees, and funds held on behalf of inmates. Disbursements from the various funds are made to the appropriate agencies, litigants, and others as prescribed by statute.

The accounts of the tax collector are established to reflect the collection imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenditures are recognized when incurred. Governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for government funds. The primary effect of internal activity has been eliminated from the Government-Wide Financial Statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the Fund Financial Statements.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Fund Financial Statements report detailed information about the Sheriff's office. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. All governmental fund types and agency funds use the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Sheriff considers ad valorem taxes as available if they are collected within sixty (60) days after the fiscal year end. Sales taxes are accrued in accordance with generally accepted accounting principles established by GASB. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are ad valorem taxes, sales taxes, interest revenue and charges, commissions, fees for service, and Coronavirus Relief Fund resources. Revenue recognition for cost reimbursement grants is recognized in accordance with generally accepted accounting principles established by GASB. Grant revenue and expenditures are recognized in the period when all eligibility requirements have been met. Unearned revenues include amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Sheriff reports advance receipt of grant funds for use in the following period as unearned revenue.

Fiduciary Funds

The Sheriff currently has six agency funds. Unlike other types of funds, agency funds report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus; however, they use the modified accrual basis of accounting to recognize receivables and payables.

Budgets

Budgets are adopted on the modified accrual basis of accounting, as discussed in the governmental funds. Annual appropriated budgets are usually adopted for the General and Special Revenue Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these nonoperating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
2. A notice of the proposed budget is published notifying the public that the proposed budget is available for public inspection. At the same time, the date of the public hearing is published.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgets are controlled at the fund level and are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The level of budgetary control is established by state law at five percent of total expenditures at the fund level. Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Sheriff.

Cash, Cash Equivalents, and Certificates of Deposit

Cash and cash equivalents include amounts in cash on hand and in demand deposits.

Certificates of deposit include amounts with a maturity date more than three months from the date acquired. Certificates of deposit are stated at cost, which approximates market value.

Under state law, the Sheriff may deposit funds in demand deposits (interest bearing or non-interest bearing), money market accounts, or time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana.

Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes, investments as stipulated in state law, or any other federally insured investments. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all receivables at year end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Internal Balances (Due from/to Other Funds)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds Balance Sheet. These internal balances are eliminated for reporting in the Statement of Net Position.

Inventories

Inventories consist of office supplies and auto parts. Inventories are valued at the lower of cost or net realizable value, using the first-in/first-out (FIFO) method.

Prepaid Expenses

Insurance premiums and maintenance agreements paid prior to year-end for coverage included in the next fiscal year are reported as prepaid expenses in both the Government-Wide Financial Statements and the Fund Financial Statements. Prepaid expenses are recorded as expenditures when consumed rather than when purchased.

Capital Assets

In the Government-Wide Financial Statements, capital assets are capitalized and depreciated on a straight-line method over their estimated useful lives. The Sheriff has adopted a capitalization threshold of \$500 for reporting purposes. All purchased capital assets are valued at costs where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, if any, are valued at estimated fair market value on the date received. Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives or improve their efficiency or capacity are capitalized, whereas expenditures for repairs and maintenance are expensed.

Capital assets provided by the Rapides Parish Police Jury are not recorded on the financial statements of the Sheriff.

In the Fund Financial Statements, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. No provision is made for depreciation on capital assets in the Fund Financial Statements since the full cost is recorded as expenditures at the time of purchase.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Building and improvements	5-30 Years
Vehicles	5-15 Years
Radios	7-10 Years
Boats	5-10 Years
Office equipment and software	5-15 Years
Camera/video	4-10 Years
Other	3-30 Years
Weapons	5-10 Years

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Sheriff has two items that qualify for reporting in this category, which includes deferred outflows related to pensions and deferred outflows related to postemployment benefit obligations.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the Sheriff has two items that qualify for reporting in this category, which includes deferred inflows related to pensions and deferred inflows related to postemployment benefit obligations.

Unearned Revenues

Unearned revenues include amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. In subsequent periods, when the Sheriff has a legal claim to the resources, the liability for unearned revenue is removed from the Statement of Net Position and the Balance Sheet, and the revenue is recognized.

Compensated Absences

Employees of the Sheriff's office earn from 120 to 180 hours of annual leave each year, depending on their length of service. Those employees who do not take all of their annual leave prior to December 31st may carry over no more than 40 hours to the next calendar year. Employees earn from 84 to 120 hours of sick leave per year, depending on length of service. Unused sick leave may be carried forward each year; however, it is not compensable upon termination of employment. At June 30, 2020, employees have accumulated and vested \$2,086,273 of benefits. This amount is included in noncurrent liabilities in the Statement of Net Position.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Net Position

Net position (deficit) represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. In the Government-Wide Financial Statements, net position is classified in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, or improvement of these assets.

Restricted net position – Consists of net position with constraints placed on its use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net positions that do not meet the definition of “net investment in capital assets” or “restricted.”

In cases where restricted and unrestricted monies are received by the Sheriff for the same function or purpose, the restricted monies are used first.

Fund Balances

Nonspendable fund balances include amounts that cannot be spent because they are either not in a spendable form or legally or contractually required to be maintained intact. Restricted fund balances represent those portions of fund balance that are restricted to specific purposes by external parties, such as creditors, grantors, contributors, or laws or regulations of other governments or by law through constitutional provisions or enabling legislation. Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is the Sheriff. Commitments may be established, modified, or rescinded only through resolutions approved by the Sheriff. Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balances. Under the Sheriff's policy, only the Sheriff may assign amounts for specific purposes. In cases where restricted and unrestricted monies are received by the Sheriff for the same function or purpose, the Sheriff considers restricted funds to have been spent first. Unrestricted monies are then spent in the following order: committed, assigned, and unassigned.

Interfund Transactions

In the governmental funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as operating transfers.

Interfund balances are eliminated in the Government-Wide Financial Statements.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property located within the parish as of January 1 of each year. Taxes are levied normally in November and billed to the taxpayer during the same month. Billed taxes become delinquent on January 1 of the following year. As the tax collector of the parish, the Sheriff bills and collects its own property taxes using the assessed values determined by the tax assessor of Rapides Parish. Assets are recognized when an enforceable legal claim has arisen or when resources are received, whichever is first. Revenues from ad valorem taxes are budgeted in the year billed and recognized in the period that the taxes are levied.

Sales Tax

On October 5, 2002, the voters of Rapides Parish elected to allow the Rapides Parish Law Enforcement District to levy and collect 0.5% sales and use tax. This tax was levied effective January 1, 2003, perpetuity, for the purposes of funding salaries and related benefits, as well as the purchase, lease, operation, and maintenance of vehicles, furniture and fixtures, and equipment of the Rapides Parish Sheriff's Office as defined in Sections 301-317 of Title 47 of Louisiana Revised Statutes of 1950 (R.S. 47:301-47:317).

Expenditures

The Sheriff's primary expenditures include salaries and related benefits, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Supplemental Wages

Certain employees receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenues and salaries and related benefits. For the fiscal year ending June 30, 2020, the amount of supplemental wages received was \$2,055,896.

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.

2. Expenditures – Actual and Budget

The Metro Narcotics Task Force is no longer funded with JAG funds as of June 30, 2020, which are restricted use and therefore the reason the fund was considered a Special Revenue Fund. Based on this change, the Drug Enforcement Fund was consolidated into the General Fund. The transfer of funds to the General Fund in order to complete the consolidation, "technically considered an expenditure", resulted in an unfavorable variance of \$131,981, even though no funds were actually expended.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

3. Cash and Cash Equivalents and Certificates of Deposit

At June 30, 2020, the Sheriff had cash and cash equivalents and certificates of deposit as follows:

Cash and cash equivalents - Governmental Funds	\$ 1,466,349
Cash and cash equivalents - Fiduciary Funds	1,856,139
Certificates of Deposit - Governmental Funds	<u>6,000,000</u>
	\$ 9,322,488

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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 agent bank.

Custodial credit risk is the risk that in the event of a bank failure, the Sheriff's deposits may not be returned. As of June 30, 2020, the Sheriff's bank balance of \$10,476,579 was not exposed to custodial credit risk in that \$1,213,311 was insured and \$9,263,268 was collateralized by securities held by the pledging banks in the Sheriff's name.

4. Investments

Investments held at June 30, 2020, consist of \$1,267,515 in the Louisiana Asset Management Pool (LAMP), a local government investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33-2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following are relevant for investment pools:

- 1) Credit risk: LAMP is rated AAA by Standard & Poor's.
- 2) Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- 3) Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

**Rapides Parish Sheriff
Alexandria, Louisiana
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Notes to Basic Financial Statements

4) Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 100 days (from LAMP's monthly Portfolio Holdings) as of June 30, 2020.

5) Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

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

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

5. Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. The taxes are remitted to the appropriate taxing bodies net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2020, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.46 mills on property with net assessed valuations (after homestead exemption) totaling \$851,375,105.

Total law enforcement taxes levied during 2019 were \$14,865,017.

6. Receivables

Receivables at June 30, 2020 consist of the following:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>
Fees, commissions, and charges for services	\$ 1,441,659	\$ -
Sales taxes	1,356,360	-
Coronavirus Relief Fund resources	8,302,063	-
Grants	4,656	-
Due from inmates	-	23,262
Other	49,846	-
	<u>\$ 11,154,584</u>	<u>\$ 23,262</u>

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

7. Interfund Receivables, Payables, and Transfers

Amounts due from and due to other funds reported in the Fund Financial Statements at June 30, 2020, consist of the following:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Fiduciary Funds	\$ 137,122
Fiduciary Funds	Fiduciary Funds	<u>6,699</u>
		\$ 143,821

Balances at June 30, 2020, result from the routine timing differences between the dates that interfund goods or services are provided and the dates that reimbursement occurs.

Transfers shown in the Fund Financial Statements for the year ending June 30, 2020, were as follows:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 131,981

The transfers are movements of money from one fund to another. These can be required by law, close out the activity in a fund, or merely serve as a means to finance activities in the receiving fund

8. Inventories

Inventories at June 30, 2020 consist of the following:

Auto parts	\$ 31,445
Office supplies	<u>23,872</u>
Total	\$ 55,317

9. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Balance</u> <u>7/01/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2020</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 819,145	\$ -	\$ -	\$ 819,145
Other capital assets:				
Buildings and improvements	16,636,609	163,788	3,278	16,797,119
Vehicles	6,355,384	864,616	286,051	6,933,949
Radios	2,332,282	-	-	2,332,282
Boats	164,195	-	-	164,195
Office equipment and software	3,191,101	104,609	27,060	3,268,650
Camera/video	705,904	308,801	-	1,014,705
Weapons	466,453	56,772	41,127	482,098
Other	2,418,353	189,912	114,057	2,494,208
Totals	<u>33,089,426</u>	<u>1,688,498</u>	<u>471,573</u>	<u>34,306,351</u>

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

	<u>Balance 7/01/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2020</u>
Less:				
Accumulated depreciation				
Buildings and improvements	10,426,075	552,874	3,278	10,975,671
Vehicles	4,994,684	567,761	256,293	5,306,152
Radios	1,925,517	90,431	-	2,015,948
Boats	164,195	-	-	164,195
Office equipment and software	2,601,261	225,597	26,722	2,800,136
Camera/video	581,309	64,130	-	645,439
Weapons	262,954	53,320	41,127	275,147
Other	<u>1,785,395</u>	<u>152,813</u>	<u>111,860</u>	<u>1,826,348</u>
Totals	<u>22,741,390</u>	<u>1,706,926</u>	<u>439,280</u>	<u>24,009,036</u>
 Governmental Activities, Capital Assets, Net	 \$ 10,348,036	 \$ (18,428)	 \$ 32,293	 \$ 10,297,315

Depreciation expense for the current fiscal year was charged to functions as follows:

Governmental Activities	
Executive division	\$ 156,937
Bonds and fines division	6,036
Finance division	4,321
Human resources division	1,057
Tax department	2,368
Civil department	17,884
Maintenance/road crew	74,116
Corrections administration division	105,205
Corrections division (DC-1)	56,545
Corrections division (DC-2) and work release facility	278,479
Court and courthouse security	6,771
Investigation division	156,356
Drug enforcement division	83,677
Enforcement division	394,650
Support services division	120,986
School resource officers	25,871
Corrections division (DC-3)	<u>215,667</u>
Total Depreciation Expense for Governmental Activities	\$ 1,706,926

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

10. Long-Term Liabilities

The following is a summary of the long-term liabilities for the year ended June 30, 2020:

	Balance 7/01/19	Additions	Deletions	Balance 6/30/20
Postemployment benefit obligations	\$ 43,211,142	\$ 5,179,763	\$ -	\$ 48,390,905
Compensated absences	2,014,104	72,169	-	2,086,273
Net pension liability	13,109,793	2,315,721	-	15,425,514
	\$ 58,335,039	\$ 7,567,653	\$ -	\$ 65,902,692

	Balance 06/30/20	Due Within One Year	Due in More Than One Year
Postemployment benefit obligations	\$ 48,390,905	\$ -	\$ 48,390,905
Compensated absences	2,086,273	-	2,086,273
Net pension liability	15,425,514	-	15,425,514
	\$ 65,902,692	\$ -	\$ 65,902,692

Postemployment Benefit Obligations

See Note 11 for further explanation of this obligation.

Compensated Absences

The liability for compensated absences is computed only at the end of each fiscal year. Compensated absences liabilities are reported in the Fund Financial Statements only if they have matured prior to the end of the fiscal year. All compensated absences liabilities are reflected in the Government-Wide Financial Statements. Compensated absences expenditures are paid by the fund that pays the salaries related to the liability.

Net Pension Liability

See Note 12 for further explanation of this obligation.

11. Postemployment Healthcare and Life Insurance Benefits

Plan Description: The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The Sheriff's OPEB Plan (the OPEB Plan) is a single employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

**Rapides Parish Sheriff
Alexandria, Louisiana
June 30, 2020**

Notes to Basic Financial Statements

Benefits Provided: Medical, dental and life insurance benefits are provided to employees upon actual retirement based on at least the following provisions: 30 years of service at any age; age 55 and 15 years of service; or, age 50 and 20 years of service (with an actuarially reduced pension benefit). Although employees may retire after age 55 and 12 years of service, medical/dental and life insurance benefits are not provided until at least 15 years of service at retirement. Employees hired on and after January 1, 2012 have the same retirement eligibility requirements except that they must be at least age 55 with 30 years of service or age 62 with 12 years of service.

Life insurance coverage is continued to retirees by election and is based on the blended rate for active employees and retirees. The employer pays for the first \$10,000 of life insurance after retirement with the retiree paying the remainder, but both "costs" are based on the blended rate. Based on historical patterns, we have assumed that 20% of retirees decline the option of paying for the coverage beyond \$10,000. Since GASB 74/75 requires the use of "unblended" rates, we have used the valuation mortality table to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Thus, the implicit subsidy by the employer has been determined by applying the unblended rate to the full coverage and subtracting the retiree's premium of the blended rate applied to the excess over \$10,000. Based on historical patterns, we have assumed that 20% of retirees decline the option of paying for the coverage beyond \$10,000. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Employees covered by benefit terms: At July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	162
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>456</u>
Total	618

Total OPEB Liability

The Sheriff's total OPEB liability of \$48,390,905 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	3.5% annually (as of the previous measurement date)
	2.21% annually (as of the end of year measurement date)
Healthcare cost trend rates	Flat 5.5% annually
Mortality	SOA RP-2000 Table

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2020.

Changes in Total OPEB Liability

Balance at June 30, 2019	\$ 43,211,142
Changes for the year:	
Service cost	878,953
Interest	1,489,153
Differences between expected and actual experience	(1,311,343)
Changes in assumption	5,450,828
Benefit payments and net transfers	<u>(1,327,828)</u>
Net changes	5,179,763
 Balance at June 30, 2020	 \$ 48,390,905

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (1.21%) or one percentage-point higher (3.21%) than the current discount rate:

	1.0% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1.0% Increase <u>(3.21%)</u>
Total OPEB Liability	\$ 57,549,895	\$ 48,390,905	\$ 41,243,513

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using the healthcare cost trend rates that are one percentage-point lower (4.5%) or one percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease <u>(4.5%)</u>	Current Healthcare Trend Rate <u>(5.5%)</u>	1.0% Increase <u>(6.5%)</u>
Total OPEB Liability	\$ 43,314,267	\$ 48,390,905	\$ 54,846,981

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Sheriff recognized OPEB expense of \$3,252,892. At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

	Deferred Outflows Activities	Deferred Inflows Funds
Difference between expected and actual experience	\$ 2,176,719	\$ 1,092,786
Changes of assumptions	4,542,357	-
Total	\$ 6,719,076	\$ 1,092,786

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,			
2021		\$	884,786
2022			884,786
2023			884,786
2024			884,786
2025			884,786
Thereafter			1,202,360
Total		\$	5,626,290

12. Defined Benefit Pension Plan

Plan Description

The Sheriff's Pension and Relief Fund (Fund) is a cost-sharing, multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association, and the Sheriffs' Pension and Relief Fund's office. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. The Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2019. Access to the report can be found on the Louisiana Legislative Auditor's website at www.la.la.gov.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

For members who become eligible for membership on or before December 31, 2011, members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

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Alexandria, Louisiana**

Notes to Basic Financial Statements

For members whose first employment making them eligible for membership in the system began on or after January 1, 2012, members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six-month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty-month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began on or after July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty-month period shall not exceed 115% of the preceding twelve-month period.

Disability Benefits

A member is eligible to receive disability benefits if he has at least ten years of creditable service when a non-service-related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor Benefits

Survivor benefits for death are solely as a result of injuries received in the line of duty. For a spouse alone, a sum equal to 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic Option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving Option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty- three, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

Deferred Benefits

The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Permanent Benefit Increases/Cost-of-Living Adjustments

Cost-of-living provisions for the Fund allows the board of trustees to provide an annual cost-of-living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost-of-living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost-of-living adjustments is dependent on the funded ratio.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the plan year ending June 30, 2019, the actual employer contribution rate was 12.25% with an additional 0% allocated from the Funding Deposit Account. Employer contributions for the plan year ended June 30, 2019 were \$2,791,497.

**Rapides Parish Sheriff
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Notes to Basic Financial Statements

In accordance with state statute, the Fund also receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. Non-employer contributions for the year ended June 30, 2019 were \$1,381,396.

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

At June 30, 2020, the Sheriff reported a liability of \$15,425,514 for its proportionate share of the Net Pension Liability (NPL). The NPL was measured as of June 30, 2018, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The Sheriff's net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. At June 30, 2019, the Sheriff's proportion was 3.26105%, which was a decrease of 0.15772% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$4,006,465.

At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Activities	Deferred Inflows Funds
Difference between expected and actual experience	\$ -	\$ 2,955,216
Changes of assumptions	4,714,253	-
Changes in proportion and differences between the employer contributions and proportionate share of contributions	232,593	938,725
Differences between projected and actual earnings on pension plan investments	555,094	-
Employer contributions subsequent to the measurement date	2,736,736	-
Total	\$ 8,238,676	\$ 3,893,941

The \$2,736,736 reported as deferred outflows of resources related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

Year Ended June 30,	
2020	\$ 669,751
2021	(604,437)
2022	562,563
2023	791,032
2024	189,090
Total	\$ 1,607,999

Actuarial Methods and Assumptions

The Sheriff's net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Method
Investment Rate of Return	7.10%, net of investment expense
Discount Rate	7.10%
Projected Salary Increases	5.5% (2.5% Inflation, 3.0% Merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants.
Expected Remaining Service Lives	2019 – 6 years 2018 – 6 years 2017 – 7 years 2016 – 7 years 2015 – 6 years 2014 – 6 years
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target allocation as of June 30, 2019 were as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity Securities	62%	7.1%	4.4%
Bonds	23	3.0	0.7
Alternative Investments	15	4.6	0.6
Totals	100%		5.7
Inflation			2.4
Expected Arithmetic Nominal Return			8.1%

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.10%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate as of June 30, 2019:

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

	1.0% Decrease <u>(6.10%)</u>	Current Discount Rate <u>(7.10%)</u>	1.0% Increase <u>(8.10%)</u>
Net Pension Liability	\$ 32,257,107	\$ 15,425,514	\$ 1,260,193

13. Deferred Compensation Plan

Certain employees of the Sheriff participate in the Rapides Parish Sheriff's Office Deferred Compensation Plan (Plan) adopted under the provisions of Internal Revenue Code Section 457, which is administered by the Hartford Life Insurance Company. The Sheriff does not have managerial or financial responsibility for the plan assets. As of June 30, 2020, the plan assets totaled \$2,280,750, which is owned by the Plan participants.

14. Changes in Agency Fund Balances

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund
June 30, 2019	\$ 355,709	\$ 721,380	\$ 401,445	\$ 183,551	\$ 93,942	\$ 384,421
Additions	2,870,337	96,946,517	219,202	1,785,462	1,069,423	1,812,135
Reductions	<u>(2,972,608)</u>	<u>(96,950,442)</u>	<u>(109,819)</u>	<u>(1,845,426)</u>	<u>(1,072,806)</u>	<u>(2,006,323)</u>
June 30, 2020	\$ 253,438	\$ 717,455	\$ 510,828	\$ 123,587	\$ 90,559	\$ 190,233

15. Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2020 include \$513,035 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

16. Litigation and Claims

At June 30, 2020, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

17. Ex-officio Tax Collector

The amount of cash on hand at year end in the Tax Collector Fund was \$717,455. The unsettled balances of the Tax Collector Fund at June 30, 2020 consist of the following:

Ad Valorem taxes	\$ 160,734
Protest taxes	503,795
Undistributed interest	32,595
Redemptions and refunds to taxpayers	14,704
Tax Notices and costs	<u>5,627</u>
Total	\$ 717,455

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

The amount of taxes collected for the current year by taxing authority was as follows:

Rapides Parish School Board	\$ 37,240,860
Rapides Parish Police Jury	25,954,890
Rapides Parish Sheriff	14,565,734
Rapides Parish Library	5,906,378
Red River Levee District	2,094,710
Red River Waterway Commission	1,952,107
Rapides Parish Assessor	1,751,936
Ward 9 Recreation District	754,802
Ward 10 Recreation District	611,267
Gravity Drainage District 1	295,663
Gravity Drainage District 2	971,696
Water District 11A	147,953
Fire District 12	319,686
LA Forestry Commission	31,349
LA Tax Commission	75,710
Total	\$ 92,674,741

For the fiscal year ended June 30, 2020, the taxes assessed and uncollected were due to movable property and the amounts are as follows:

	Louisiana Tax Commission Decreases	Unpaid
Rapides Parish School Board	\$ 280,854	\$ 575,243
Rapides Parish Police Jury	176,020	434,261
Rapides Parish Sheriff	99,105	206,098
Rapides Parish Library	40,187	83,572
Red River Levee District	13,768	32,015
Red River Waterway Commission	13,282	27,621
Rapides Parish Assessor	11,920	24,789
Ward 9 Recreation District	10,844	9,247
Ward 10 Recreation District	4,986	12,587
Gravity Drainage District 1	1,527	4,703
Gravity Drainage District 2	4,860	4,807
Water District 11A	1,079	801
Fire District 12	37	2,114
LA Forestry Commission	33	94
LA Tax Commission	12	-
Total	\$ 658,514	\$ 1,417,952

During the fiscal year ended June 30, 2020, there were no tax sales due to Covid-19 and therefore no adjudications or bankruptcies.

**Rapides Parish Sheriff
Alexandria, Louisiana**

Notes to Basic Financial Statements

18. Operating Leases

The Sheriff is committed for more than a single year under leases for office equipment and building or office space. The leases are considered for accounting purposes to be operating leases.

Lease expenditures for the year ended June 30, 2020 amounted to \$310,095 and consisted solely of minimum lease payments.

Future minimum lease payments for non-cancellable leases are as follows:

Fiscal year ending June 30,		
2021	\$	287,663
2022		205,773
2023		128,906
2024		66,918
Total	\$	689,260

19. Risk Management

The Sheriff is exposed to risks of loss in the areas of vehicle liability, professional law enforcement liability, group health and workers' compensation. These risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year, nor have settlements exceeded coverage for the past three years.

20. Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create an ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first five years of its operation, with the option to renew for an additional five years; after which time the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the Sheriff's financial statements to record the exempt amounts. At June 30, 2020, the Sheriff's ad valorem revenues were reduced by \$3,303,678 as a result of these abatements.

Required Supplementary Information

**Rapides Parish Sheriff
Alexandria, Louisiana
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2020**

Schedule H

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Ad valorem	\$ 14,650,000	\$ 14,325,000	\$ 14,343,167	\$ 18,167
Sales	13,050,000	13,075,000	13,635,049	560,049
Intergovernmental	4,970,200	4,370,600	4,364,066	(6,534)
Coronavirus Relief Fund resources	-	-	8,302,064	8,302,064
Fees, commissions, etc.	11,137,900	10,460,300	10,565,191	104,891
Interest earned	70,000	89,400	90,605	1,205
Other	231,000	280,100	279,097	(1,003)
Total Revenues	<u>44,109,100</u>	<u>42,600,400</u>	<u>51,579,239</u>	<u>8,978,839</u>
Expenditures				
Current				
Executive division	3,542,983	3,506,550	3,559,300	(52,750)
Bonds and fines division	367,126	374,041	371,833	2,208
Finance division	434,480	468,806	468,731	75
Human resources division	193,695	197,285	197,349	(64)
Tax department	424,017	331,033	313,510	17,523
Civil department	799,431	762,889	759,057	3,832
Maintenance/road crew	1,010,877	1,051,871	1,042,406	9,465
Corrections administration division	1,841,343	1,804,216	1,797,570	6,646
Corrections division (DC-1)	4,067,632	3,880,397	3,868,608	11,789
Corrections division (DC-2) and work release facility	6,263,232	6,109,820	6,099,804	10,016
Court and courthouse security	802,640	783,828	786,505	(2,677)
Investigative division	3,170,940	3,049,536	3,046,654	2,882
Drug enforcement division	1,596,210	1,267,151	1,265,256	1,895
Enforcement division	8,476,459	7,839,920	7,804,167	35,753
Support services division	681,474	671,682	644,293	27,389
School resource officers	4,317,320	4,220,722	4,204,249	16,473
Corrections division (DC-3)	4,857,495	4,606,435	4,611,532	(5,097)
Capital outlay	1,626,746	1,689,218	1,681,016	8,202
Total Expenditures	<u>44,474,100</u>	<u>42,615,400</u>	<u>42,521,840</u>	<u>93,560</u>
Excess (Deficiency) of Revenues Over Expenditures	(365,000)	(15,000)	9,057,399	9,072,399
Other Financing Sources (Uses)				
Transfers in	-	-	131,981	131,981
Sale of capital assets	365,000	15,000	14,529	(471)
Total Other Financing Sources (Uses)	<u>365,000</u>	<u>15,000</u>	<u>146,510</u>	<u>131,510</u>
Net Change in Fund Balance	-	-	9,203,909	9,203,909
Fund Balance, Beginning of Year	<u>11,080,853</u>	<u>11,080,853</u>	<u>11,080,853</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 11,080,853</u>	<u>\$ 11,080,853</u>	<u>\$ 20,284,762</u>	<u>\$ 9,203,909</u>

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Changes in Total OPEB Liability and Related Ratios**

Schedule I-1

Total OPEB Liability

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
Service Cost	\$ 724,199	\$ 805,689	\$ 878,953
Interest	1,329,411	1,380,902	1,489,153
Changes in benefit terms	-	-	-
Differences between expected and actual experience	496,893	2,102,696	(1,311,343)
Changes in assumptions	-	-	5,450,828
Benefit payments	<u>(1,093,624)</u>	<u>(1,065,002)</u>	<u>(1,327,828)</u>
Net change in Total OPEB Liability	1,456,879	3,224,285	5,179,763
Total OPEB liability, beginning of year	<u>38,529,978</u>	<u>39,986,857</u>	<u>43,211,142</u>
Total OPEB liability, end of year	<u><u>39,986,857</u></u>	<u><u>43,211,142</u></u>	<u><u>48,390,905</u></u>
Covered-employee payroll	22,364,300	23,035,229	17,809,952
Net OPEB liability as a percentage of covered-employee payroll	178.80%	187.59%	271.71%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule:

Change in benefit terms: There were no changes of benefit terms for the year ended June 30, 2020.

Change in assumptions: The discount rate decreased from 3.50% to 2.21% for the June 30, 2020, actuarial report.

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Employer Contributions - OPEB**

Schedule I-2

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
Actuarially determined contribution	\$ 2,819,125	\$ 2,979,828	\$ 3,228,400
Contributions in relation to the actuarially determined contribution			
Employer contributions to trust	-	-	-
Employer-paid retiree premiums	1,093,624	1,065,002	1,327,828
Total contributions	<u>1,093,624</u>	<u>1,065,002</u>	<u>1,327,828</u>
 Contribution deficiency (excess)	 <u>\$ (1,725,501)</u>	 <u>\$ (1,914,826)</u>	 <u>\$ (1,900,572)</u>
 Covered-employee payroll	 \$ 22,364,300	 \$ 23,035,229	 \$ 17,809,952
 Contributions as a percentage of covered-employee payroll	 4.89%	 4.62%	 7.46%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule for Current Year:

Valuation date	June 30, 2020
Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.	
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level door, open
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.50% annually
Healthcare trend	Flat 5.50% annually
Salary increases	4.00% annually
Discount rate	3.50% annually (as of previous measurement date) 2.21% annually (as of end of year measurement date)
Retirement age	4.5 years after the later of attainment of 30 years of service at any age; or, attainment of age 55 and 25 years of service; employees hired on and after 1/1/2012: attainment of age 55 and 30 years of service; or age 62 and 15 years of service.
Mortality	RP-2000 combined healthy without projection
Turnover	Age specific table with an average of 18.5% when applied to the active census
See independent auditor's report.	

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Employer's Share of Net Pension Liability
Sheriff's Pension and Relief Fund**

Schedule J-1

	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
Employer's Proportion of the Net Pension Liability (Asset)	3.564519%	3.446158%	3.414877%	3.338608%	3.418773%	3.261050%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,115,514	\$ 15,361,309	21,673,866	14,457,086	13,109,793	15,425,514
Employer's Covered-Employee Payroll	\$ 22,885,270	\$ 22,848,582	\$ 23,321,971	\$ 23,124,853	\$ 23,530,470	\$ 22,787,731
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	61.68%	67.23%	92.93%	62.52%	55.71%	67.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.34%	86.61%	82.10%	88.49%	90.41%	88.91%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Employer Contributions
Sheriff's Pension and Relief Fund**

Schedule J-2

	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
6/30/2015	\$ 3,255,923	\$ 3,255,923	-	\$ 22,848,582	14.25%
6/30/2016	3,206,771	3,206,771	-	23,321,971	13.75%
6/30/2017	3,064,043	3,064,043	-	23,124,853	13.25%
6/30/2018	3,000,135	3,000,135	-	23,530,470	12.75%
6/30/2019	2,791,497	2,791,497	-	22,787,731	12.25%
6/30/2020	2,736,735	2,736,735	-	22,340,694	12.25%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Notes to Required Supplementary Information
Sheriff's Pension and Relief Fund
For the Year Ended June 30, 2020**

Schedule J-3

Changes in benefit terms include:

There were no changes of benefit terms for the plan year ended June 30, 2019.

Changes of assumptions

The net investment rate of return was decreased from 7.25% to 7.10% per the year ended June 30, 2019 actuarial report.

The inflation interest rate was decreased from 2.60% to 2.50% per the year ended June 30, 2019 actuarial report.

The merit interest rate was increased from 2.90% to 3.00% per the year ended June 30, 2019 actuarial report.

See independent auditor's report.

Other Supplementary Information

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2020**

**Schedule K
(Continued)**

**Variance
Favorable
(Unfavorable)**

	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures			
Executive Division			
Current			
Salaries and related benefits	\$ 2,776,550	\$ 2,777,776	\$ (1,226)
Operating expenses	724,000	775,522	(51,522)
Grant subrecipient payment	6,000	6,002	(2)
Capital outlay	47,298	48,475	(1,177)
Total Executive Division	3,553,848	3,607,775	(53,927)
 Bonds and Fines Division			
Current			
Salaries and related benefits	350,841	350,827	14
Operating expenses	23,200	21,006	2,194
Total Bonds and Fines Division	374,041	371,833	2,208
 Finance Division			
Current			
Salaries and related benefits	431,506	431,460	46
Operating expenses	37,300	37,271	29
Capital outlay	2,046	2,045	1
Total Finance Division	470,852	470,776	76
 Human Resources Division			
Current			
Salaries and related benefits	150,685	150,670	15
Operating expenses	46,600	46,679	(79)
Capital outlay	830	830	-
Total Human Resources Division	198,115	198,179	(64)
 Tax Department			
Current			
Salaries and related benefits	226,033	226,032	1
Operating expenses	105,000	87,478	17,522
Capital outlay	4,158	4,158	-
Total Tax Department	335,191	317,668	17,523

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2020**

	Final Budget	Actual	Schedule K (Continued) Variance Favorable (Unfavorable)
Civil Department			
Current			
Salaries and related benefits	\$ 679,589	\$ 684,161	\$ (4,572)
Operating expenses	83,300	74,896	8,404
Capital outlay	52,746	52,744	2
Total Civil Department	815,635	811,801	3,834
Maintenance/Road Crew			
Current			
Salaries and related benefits	820,771	818,110	2,661
Operating expenses	231,100	224,296	6,804
Capital outlay	48,570	48,570	-
Total Maintenance/Road Crew	1,100,441	1,090,976	9,465
Corrections Administration Division			
Current			
Salaries and related benefits	1,591,916	1,590,487	1,429
Operating expenses	212,300	207,083	5,217
Capital outlay	223,086	222,568	518
Total Corrections Administration Division	2,027,302	2,020,138	7,164
Corrections Division (DC-1)			
Current			
Salaries and related benefits	3,121,997	3,125,265	(3,268)
Operating expenses	758,400	743,343	15,057
Capital outlay	19,462	19,462	-
Total Corrections Division (DC-1)	3,899,859	3,888,070	11,789
Corrections Division (DC-2) and Work Release Facility			
Current			
Salaries and related benefits	4,481,920	4,480,677	1,243
Operating expenses	1,627,900	1,619,127	8,773
Capital outlay	72,182	70,182	2,000
Total Corrections Division (DC-2) and Work Release Facility	6,182,002	6,169,986	12,016

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Schedule K (Continued) Variance Favorable (Unfavorable)</u>
Court and Courthouse Security			
Current			
Salaries and related benefits	\$ 774,928	\$ 779,029	\$ (4,101)
Operating expenses	8,900	7,476	1,424
Capital outlay	4,521	4,519	2
Total Court and Courthouse Security	<u>788,349</u>	<u>791,024</u>	<u>(2,675)</u>
Investigative Division			
Current			
Salaries and related benefits	2,509,336	2,512,896	(3,560)
Operating expenses	540,200	533,758	6,442
Capital outlay	91,130	91,128	2
Total Investigative Division	<u>3,140,666</u>	<u>3,137,782</u>	<u>2,884</u>
Drug Enforcement Division			
Current			
Salaries and related benefits	1,066,151	1,066,272	(121)
Operating expenses	201,000	198,984	2,016
Capital outlay	119,623	109,062	10,561
Total DARE Training Center	<u>1,386,774</u>	<u>1,374,318</u>	<u>12,456</u>
Enforcement Division			
Current			
Salaries and related benefits	6,767,620	6,740,662	26,958
Operating expenses	1,072,300	1,063,505	8,795
Capital outlay	832,705	830,781	1,924
Total Enforcement Division	<u>8,672,625</u>	<u>8,634,948</u>	<u>37,677</u>
Support Services Division			
Current			
Salaries and related benefits	440,582	439,424	1,158
Operating expenses	231,100	204,869	26,231
Capital outlay	122,651	127,108	(4,457)
Total Support Services Division	<u>794,333</u>	<u>771,401</u>	<u>22,932</u>

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2020**

	Final Budget	Actual	Schedule K (Concluded) Variance Favorable (Unfavorable)
School Resource Officers			
Current			
Salaries and related benefits	\$ 4,162,922	\$ 4,148,346	\$ 14,576
Operating expenses	57,800	55,903	1,897
Capital outlay	17,815	17,815	-
Total School Resource Officers	<u>4,238,537</u>	<u>4,222,064</u>	<u>16,473</u>
Corrections Division (DC-3)			
Current			
Salaries and related benefits	3,037,235	3,031,719	5,516
Operating expenses	1,569,200	1,579,813	(10,613)
Capital outlay	30,395	31,569	(1,174)
Total Corrections Division (DC-3)	<u>4,636,830</u>	<u>4,643,101</u>	<u>(6,271)</u>
Total Expenditures	<u><u>\$ 42,615,400</u></u>	<u><u>\$ 42,521,840</u></u>	<u><u>\$ 93,560</u></u>

See independent auditor's report.

Agency Funds

Sheriff's Civil Fund –

To account for cash received from sheriff's sales, garnishment of wages, and services provided to other governmental units. Also, certain amounts are held pursuant to judicial orders pending finalization of legal suits.

Tax Collector Fund –

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Cash Bond Fund –

To account for cash bonds received for prisoners' release pending trial.

Fines and Costs Fund –

To account for fines and costs on traffic and other legal violations received by the Sheriff to be distributed in accordance with specific laws and regulations.

Jail Inmate Fund –

To account for the receipts and disbursements made to the individual prison inmate accounts.

Work Release Inmate Fund –

To account for cash held for each prisoner in the Work Release Facility.

**Rapides Parish Sheriff
Alexandria, Louisiana
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Fund Types - All Agency Funds
June 30, 2020**

Schedule L-1

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund	Total
Assets							
Cash and cash equivalents	\$ 253,438	\$ 717,455	\$ 510,828	\$ 123,587	\$ 67,009	\$ 183,822	\$ 1,856,139
Receivables	-	-	-	-	16,851	6,411	23,262
Due from other funds							
Work Release Inmate Fund	-	-	-	-	6,699	-	6,699
Total Assets	\$ 253,438	\$ 717,455	\$ 510,828	\$ 123,587	\$ 90,559	\$ 190,233	\$ 1,886,100
Liabilities							
Due to other funds							
General Fund	\$ 33,468	\$ 34,337	\$ 947	\$ 17,343	\$ 31,226	\$ 19,801	\$ 137,122
Jail Inmate Fund	-	-	-	-	-	6,699	6,699
Unsettled balances due to taxing bodies and others	-	683,118	-	-	-	-	683,118
Due to inmates	-	-	-	-	59,333	163,733	223,066
Due to others	219,970	-	509,881	106,244	-	-	836,095
Total Liabilities	\$ 253,438	\$ 717,455	\$ 510,828	\$ 123,587	\$ 90,559	\$ 190,233	\$ 1,886,100

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Combining Statement of Changes
in Fiduciary Assets and Liabilities
Fiduciary Fund Types - All Agency Funds
Year Ended June 30, 2020

Schedule L-2

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund	Total
Balances, Beginning of Year	355,709	721,380	401,445	183,551	93,942	384,421	\$ 2,140,448
Additions							
Deposits							
Sheriff's sales, etc.	2,870,337	-	-	-	-	-	2,870,337
Bonds, fines, and costs	-	-	218,995	1,785,462	-	-	2,004,457
Other deposits	-	-	-	-	1,068,985	1,808,879	2,877,864
Taxes, fees, etc. paid to tax collector	-	96,946,517	-	-	-	-	96,946,517
Other additions	-	-	207	-	438	3,256	3,901
Total Additions	<u>2,870,337</u>	<u>96,946,517</u>	<u>219,202</u>	<u>1,785,462</u>	<u>1,069,423</u>	<u>1,812,135</u>	<u>104,703,076</u>
Reductions							
Taxes, fees, etc. distributed to taxing bodies and others	-	96,950,442	-	-	-	-	96,950,442
Deposits settled to:							
Sheriff's General Fund	784,801	-	-	229,291	848,331	1,536,169	3,398,592
Rapides Parish Police Jury	-	-	-	583,997	-	-	583,997
District Attorney	-	-	-	363,708	-	-	363,708
Indigent Defender	-	-	-	280,857	-	-	280,857
Clerk of Court	122,750	-	-	-	-	-	122,750
Litigants	1,992,757	-	-	-	-	-	1,992,757
Other settlements	6,676	-	-	387,573	-	-	394,249
Other reductions	65,624	-	109,819	-	224,475	470,154	870,072
Total Reductions	<u>2,972,608</u>	<u>96,950,442</u>	<u>109,819</u>	<u>1,845,426</u>	<u>1,072,806</u>	<u>2,006,323</u>	<u>104,957,424</u>
Balances, End of Year	<u>\$ 253,438</u>	<u>\$ 717,455</u>	<u>\$ 510,828</u>	<u>\$ 123,587</u>	<u>\$ 90,559</u>	<u>\$ 190,233</u>	<u>\$ 1,886,100</u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Compensation, Benefits, and Other
Payments to the Agency Head
Year Ended June 30, 2020

Schedule M

Agency Head: Sheriff William E. Hilton (term of office ended April 30, 2020)

Purpose	Amount
Salary	\$ 138,224
Benefits - medicare	2,194
Benefits - health insurance	6,762
Benefits - retirement	34,288
Dues	225
Travel	2,085
	<hr/>
Total	\$ 183,778
	<hr/> <hr/>

Agency Head: Sheriff Mark Wood (term of office began May 1, 2020)

Purpose	Amount
Salary	\$ 27,645
Benefits - medicare	436
Benefits - health insurance	1,352
Benefits - retirement	6,858
	<hr/>
Total	\$ 36,291
	<hr/> <hr/>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/ Pass-through Grantor Program Title	Federal CFDA Number	Pass-through Grant Number	Amount Expended	Schedule N Amounts Provided to Subrecipients
U. S. Department of Justice				
Bureau of Justice Assistance				
Direct				
Bulletproof Vest Partnership Program	16.607		\$ 4,275	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0603 2018-DJ-BX-0827	34,925 -	1,012 4,990
Total CFDA 16.738			<u>34,925</u>	<u>6,002</u>
Agency Totals			39,200	6,002
U. S. Department of Transportation				
National Highway Safety Administration				
Passed-through the State of Louisiana - Department of Public Safety and Corrections - Louisiana Highway Safety Commission				
Highway Safety Cluster				
State and Community Highway Safety	20.600	2019-35-43	2,188	-
Total for Cluster			<u>2,188</u>	-
Passed-through the State of Louisiana - Department of Public Safety and Corrections - Louisiana Highway Safety Commission				
Alcohol Open Container Requirements				
	20.607	2019-35-43	3,283	-
Agency Totals			<u>5,471</u>	-
U. S. Department of Treasury				
Passed-through the State of Louisiana - Governor's Office of Homeland Security and Emergency Preparedness				
Coronavirus Relief Fund				
	21.019		8,302,064	-
Agency Totals			<u>8,302,064</u>	-
U. S. Department of Homeland Security				
Passed-through the State of Louisiana - Governor's Office of Homeland Security and Emergency Preparedness				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
	97.036	FEMA-DR-4484-LA	32,887	-
Agency Totals			<u>32,887</u>	-
Totals			<u>\$ 8,379,622</u>	<u>\$ 6,002</u>

Notes:

(1) The Schedule of Expenditures of Federal Awards (the SEFA) includes the federal award activity of the Rapides Parish Sheriff under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the Rapides Parish Sheriff, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Rapides Parish Sheriff.

(2) All expenditures on the SEFA are reported on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the Rapides Parish Sheriff's accounting policies.

(3) The Rapides Parish Sheriff did not elect to use the ten percent (10%) *de minimus* indirect cost rate as allowed under the Uniform Guidance.

See independent auditor's report.

AFFIDAVIT

Mark Wood, Sheriff of Rapides Parish

BEFORE ME, the undersigned authority, personally came and appeared, Mark Wood, the Sheriff of Rapides Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$717,456.22 is the amount of cash on hand in the tax collector account on June 30, 2020;

He further deposed and said:

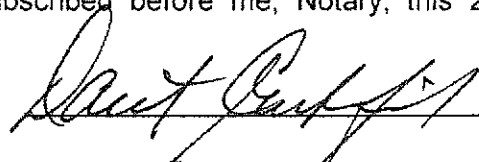
All itemized statements of the amount of taxes collected for tax year 2019, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.



Sheriff of Rapides Parish

SWORN to and subscribed before me, Notary, this 2nd day of November 2020, in my office in Alexandria, Louisiana.



(Signature)

David Crutchfield (Print), # 50855

Notary Public

of death

(Commission)

**Other Reports Required by
Government Auditing Standards and the Uniform Guidance**

**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***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

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*

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff (Sheriff) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated February 5, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as findings 2020-001, 2020-002, and 2020-003 that we consider to be material weaknesses.

Rebecca B. Morris, C.P.A.
Michael A. Juncau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
Kayla G. Holloway, C.P.A.

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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

Compliance and Other Matters

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

Sheriff's Response to Findings

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Sheriff'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.

A handwritten signature in black ink that reads "Payne, Moore & Herrington, LLP". The signature is written in a cursive, flowing style.

Certified Public Accountants
Alexandria, Louisiana

February 5, 2021

**Independent Auditor's Report on Compliance for Each Major Federal
Program and on Internal Control Over Compliance
Required by the Uniform Guidance**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Rapides Parish Sheriff's (Sheriff) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Sheriff's major federal programs for the year ended June 30, 2020. The Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Sheriff's compliance.

Opinion on Major Federal Program

In our opinion, the Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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



PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mark Wood
Rapides Parish Sheriff
Alexandria, Louisiana

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

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

February 5, 2021

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2020**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements? Yes No

Management's Corrective Action Plan See Attached

Management's Summary Schedule of Prior Audit Findings See Attached

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance with major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? Yes No

Identification of major programs:

CFDA Numbers
21.019

Name of Federal Program or Cluster
Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2020**

Section II – Findings Related to the Financial Statements

Finding 2020-001 – Segregation of Duties

Criteria: Segregation of duties is a basic building block of sustainable risk management and internal controls. A good system of internal control provides for proper segregation of the accounting functions of authorization, custody, record keeping, and reconciliation to prevent unilateral actions from occurring in key processes beyond an entity's tolerance for risk.

Condition and Context: During the fiscal year ended June 30, 2020, the finance director had access to and was involved in all the following accounting functions: performing bank reconciliations, signing checks, authorizing cash disbursements, accessing blank checks, and preparing and recording journal entries.

Cause and Effect: Without comprehensive segregation of duty policies or mitigating controls, there is an increased risk for errors or fraud.

Recommendation: We recommend that the person responsible for signing checks should not reconcile bank accounts; authorize invoices for payment; have access to the blank check stock and the master vendor file, and record journal entries. When separation of duties is not possible, compensating controls should be in place.

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

Finding 2020-002 – Purchasing Approval Process

Criteria: Good controls over purchasing and disbursements include the implementation of a purchase order system that includes an approval process prior to the actual purchase. The Sheriff has implemented the use of purchase requisitions for this approval process requiring appropriate department signatures evidencing purchase approvals.

Condition and Context: Our audit procedures included testing the operating disbursement controls. Of the twenty-five disbursements tested, we noted three disbursements with no purchase requisition or no approval signatures on the purchase requisition; therefore, there was no evidence of department approval. Upon discussion with accounting personnel regarding these disbursements, we were told that the purchasing processes and procedures are haphazardly followed.

Cause and Effect: Failure to follow the appropriate purchasing approval processes and procedures in place results in potential unauthorized or unnecessary purchases, improper charges to department budgets, excessive costs incurred, or purchases for personal use.

Recommendation: We recommend that the Sheriff follow their purchasing approval procedures.

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

**Rapides Parish Sheriff
Alexandria, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2020**

Finding 2020-003 – Tax Collector Fund Accounting System

Criteria: A general ledger is a master accounting document providing a complete record of all financial transactions and is used by accounting personnel to organize, sort, store, and summarize financial data. It is the foundation for creating financial reports that are critical for evaluating financial activities.

Condition and Context: The Tax Collector Fund historically has used excel spreadsheets as its general ledger. During the year ended June 30, 2020 the Tax Collector Fund did not maintain these excel spreadsheets.

Cause and Effect: Failure to maintain a general ledger on a regular and on-going basis makes financial reporting and monitoring difficult.

Recommendation: We recommend that the Tax Collector Fund maintain a general ledger on a monthly basis.

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

Section III – Findings and Questioned Costs for Federal Awards

None



MARK WOOD
Sheriff and Tax Collector ~ Rapides Parish

Management's Corrective Action Plan

The Rapides Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2020.

Independent Public Accounting Firm:

Payne, Moore & Herrington, LLP
P. O. Box 13200
Alexandria, LA 71315-3200

Auditee Contact Person:

David Crutchfield
Finance Director
Rapides Parish Sheriff
(318) 449-5491

Audit Period: July 1, 2019 through June 30, 2020

The findings from the Schedule of Findings and Questioned Costs are discussed below, numbered consistently with the numbers assigned in the Schedule. See Section II, Schedule of Findings and Questioned Costs, for criteria, condition and context, cause and effect, and auditor recommendations relating to the findings to the financial statements.

Findings Related to the Financial Statements

Finding 2020-001: Segregation of Duties

Summary: During the fiscal year ended June 30, 2020, the finance director had access to and was involved in all the following accounting functions: performing bank reconciliations, signing checks, authorizing cash disbursements, accessing blank checks, and preparing and recording journal entries.

Recommendation: The auditors recommend that that the person responsible for signing checks should not reconcile bank accounts; authorize invoices for payment; have access to the blank check stock and the master vendor file, and record journal entries. When separation of duties is not possible, compensating controls should be in place.

Management's Response: Due to the limited number of staff members in the finance department, complete, proper segregation of duties is difficult. Management has added an accounting manager position which will help to alleviate some issues related to segregation of duties. Management will implement policies to properly segregate duties among employees where possible or implement appropriate compensating controls.

Finding 2020-002 – Purchasing Approval Process

Summary: Audit procedures included testing the operating disbursement controls. Of the twenty-five disbursements tested, three disbursements were noted with no purchase requisition or no approval signatures on the purchase requisition; therefore, there was no evidence of department approval.

Recommendation: The auditors recommend that that the Sheriff follow their purchasing approval procedures.

Management's Response: Management will provide additional training for employees on purchasing approval policies to improve compliance.

Finding 2020-003 – Tax Collector Fund Accounting System

Summary: The Tax Collector Fund historically has used excel spreadsheets as its general ledger. During the year ended June 30, 2020 the Tax Collector Fund did not maintain these excel spreadsheets.

Recommendation: The auditors recommend that the Tax Collector Fund maintain a general ledger on a monthly basis.

Management's Response: Management will ensure that the Tax Collector Fund general ledger is updated and maintained on a monthly basis.



MARK WOOD
Sheriff and Tax Collector - Rapides Parish

Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020

Finding 2019-001: Payroll Controls

Summary: The Rapides Parish Sheriff does not have adequate control over the payroll functions.

Current Status: Resolved.