

**SOUTHWEST DISTRICT LAW ENFORCEMENT  
PLANNING COUNCIL, INC.  
LAKE CHARLES, LOUISIANA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2021**

**Southwest District Law Enforcement Planning Council, Inc.  
Lake Charles, Louisiana**

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— CPAS LLC —  
Established 1989

Derrick Trahan, CPA  
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## ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors  
The Southwest District Law Enforcement  
Planning Council, Inc.  
Lake Charles, Louisiana

Management is responsible for the accompanying financial statements of Southwest District Law Enforcement Planning Council, Inc. (a nonprofit organization), as of and for the year ended June 30, 2021, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

### Supplementary Information

The accompanying schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide assurance on such information.

We are not independent with respect to the Southwest District Law Enforcement Planning Council, Inc.

McMullen, Mancuso, Trahan and Funk CPAs, LLC

***McMullen, Mancuso***  
***Trahan and Funk, CPAs, LLC***

Sulphur, Louisiana  
December 21, 2021

**Southwest District Law Enforcement Planning Council, Inc.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2021**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$	280,373
Certificates of deposit		207,238
Receivables		
District dues receivable		104,900
Grants receivable		6,249
		598,760

**PROPERTY AND EQUIPMENT, Net** 23,870

**OTHER ASSETS**

Deposits		770
		770
Total Assets		623,400

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable		1,240
Deferred insurance proceeds		24,850
		26,090

**NET ASSETS**

Without donor restrictions		597,310
		597,310
Total Liabilities and Net Assets	\$	623,400

See Accompanying Accountants' Report and Notes to the Financial Statements

Southwest District Law Enforcement Planning Council, Inc.  
**STATEMENT OF ACTIVITIES**  
Year ended June 30, 2021

**Changes in Net Assets Without Donor Restrictions:**

**Revenues and Gains:**

District dues	\$	104,900
Interest income		229
<b>Total Revenues and Gains Without Donor Restrictions</b>		<b>105,129</b>

**Net Assets Released from Restrictions:**

Satisfaction of program restrictions		53,985
<b>Total Net Assets Released from Restrictions</b>		<b>53,985</b>

**Total Revenues and Gains Without Donor Restrictions** 159,114

**Expenses:**

Program service		42,287
Management and general		57,077
<b>Total Expenses</b>		<b>99,364</b>

**Increase in Net Assets Without Donor Restrictions** 59,750

**Changes in Net Assets With Donor Restrictions:**

Government grants		53,985
Net assets released from restrictions		(53,985)

**Increase in Net Assets With Donor Restrictions** -

**Increase in Total Net Assets** 59,750

**Net Assets at Beginning of Year**

As Originally Reported		537,662
Prior Period Adjustment		(102)
<b>Net Assets at Beginning of Year</b>		<b>537,560</b>
As Restated		537,560

**Net Assets, End of year** \$ 597,310

**Southwest District Law Enforcement Planning Council, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year ended June 30, 2021**

	Program Services	Management and General	2021 Total
Insurance	\$ -	\$ 5,552	\$ 5,552
Legal and professional	-	6,250	6,250
Occupancy	-	3,586	3,586
Other costs	-	325	325
Payroll taxes	1,071	2,499	3,570
Postage and supplies	-	5,403	5,403
Repairs	-	500	500
Retirement	225	525	750
Salaries	13,275	30,975	44,250
Training programs	21,200	-	21,200
Other program costs	6,516	-	6,516
Total Functional Expenses Before Depreciation	42,287	55,615	97,902
Depreciation Expense	-	1,462	1,462
Total Functional Expenses	\$ 42,287	\$ 57,077	\$ 99,364

See Accompanying Accountants' Report and Notes to the Financial Statements

**Southwest District Law Enforcement Planning Council, Inc.**  
**STATEMENT OF CASH FLOWS**  
**Year ended June 30, 2021**

	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 59,750
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,462
Net (increase) decrease in:	
Grant receivable	(1,040)
Net increase (decrease) in:	
Accounts payable	(104)
Deferred insurance proceeds	24,850
Net cash provided by operating activities	84,918
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Dividend reinvestment	(1,186)
Net cash (used) by investing activities	(1,186)
Net increase in cash and cash equivalents	83,732
Cash and cash equivalents, beginning of year	196,641
Cash and cash equivalents, end of year	\$ 280,373

See Accompanying Accountants' Report and Notes to the Financial Statements

**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE A –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Southwest District Law Enforcement Planning Council Inc. (the Council) is presented to assist in understanding the Council's financial statements. The financial statements and notes are representations of the Council's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

1. Organization and Purpose

The Southwest District Law Enforcement Planning Council, Inc. (the Council) is a non-profit corporation formed under the laws of the State of Louisiana for the purpose of providing local planning activities to various law enforcement agencies, judicial agencies, and non-profit organizations/associations within Calcasieu, Beauregard, Allen, Cameron, and Jefferson Davis Parishes. The Council identifies the problems and needs of these numerous agencies and develops a long-range master plan to implement improvements through the use of resources made available to the State of Louisiana, Louisiana Commission on Law Enforcement from programs housed in the U.S. Department of Justice, Office of Justice Programs: Edward Byrne Memorial Justice Assistance Grant Program; Office Juvenile Justice and Delinquency Prevention Program; Office of Victims of Crime Program; and the Office of Violence Against Women Program. In addition, the Council administers grants for local law enforcement agencies that provide law enforcement assistance programs such as Basic and Correctional Training received at local training academies and law enforcement assistance programs such as Act 562 Equipment Programs. The Council assists the Louisiana Commission on Law Enforcement with administrative support to the State funded D.A.R.E programs. State programs are funded through the collection of state revenues and administered by the Louisiana Commission on Law Enforcement through the Southwest District Law Enforcement Planning Council, Inc.

2. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

3. Basis of Presentation

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles, which require the Council to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council. The net assets may be used at the discretion of management and the board of directors.



**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE A –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

3. Basis of Presentation (Continued)

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or by the passage of time.

Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restrictions on contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

4. Revenue Recognition

**Membership Dues**

Membership dues are determined at the completion of the fiscal year and are based on actual expenses incurred that were not reimbursed by the grants received from the Louisiana Commission on Law Enforcement. Membership dues are recognized as revenues on a pro rata basis over the period to which the membership relates. These dues are assessed in arrears and are shown as receivable at June 30, 2021.

**Government Grants**

The Council receives its grant support from the Louisiana Commission on Law Enforcement. All of the Council's grants are cost reimbursement type grants, which mean that the Council does not recognize revenue from them until it has incurred allowable expenses under the terms of the grants. Further, each grant has restrictions on how the Council may use its funds, thereby creating grant revenues with donor restrictions until the restrictions are satisfied. When the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

5. Property and Equipment

Equipment is stated at cost at the date of the acquisition and any donated fixed assets are recorded as support at their estimated fair value at the date of donation. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Depreciation amounted to \$1,462 for the year ended June 30, 2021. The useful lives of equipment for purposes of computing depreciation are:

Furniture, fixtures, and equipment	5 – 10 Years
Buildings	39 Years
Improvements	15 Years

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations. The Council follows the practice of capitalizing all expenditures for all property and equipment in excess of \$1,000.

**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Income Tax Status**

The Council qualifies as a tax-exempt organization under Section 501 (c) (4) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. In addition, the organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the code. The Council files its Form 990 with the Internal Revenue Service and is no longer subject to examination for years prior to 2016. There is no unrelated business income for the year ended June 30, 2021.

**7. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's 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 expenses during the reporting period. Actual results could differ from those estimates.

**8. Investments**

Investment securities are stated at fair market value based on quoted prices in active markets (all level 1 measurements). Donated investments are reflected as contributions at their market values at date of receipt. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

**9. Concentration of Revenue and Support**

The Council receives \$104,900 (66%) of its revenue through district dues assessed to the law enforcement agencies which the Council serves. If the Council no longer received these dues, or there were significant reductions in the amounts received from the law enforcement agencies, the operations of the Council could be adversely impacted.

**NOTE B – CASH AND CASH EQUIVALENTS**

For purposes of the Statement of Cash Flows, the Council considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**NOTE C – INVESTMENTS**

The Council applies generally accepted accounting principles (GAAP) for fair value measurements of financial assets that are recognized at fair value in the financial statements. GAAP established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to Level 1 measurements and lowest priority to Level 3 measurements. The three levels of fair market hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Council has the ability to access.

Southwest District Law Enforcement Planning Council, Inc.

**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE C – INVESTMENTS (Continued)**

Level 2 inputs are inputs (other than quoted prices in Level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability, either directly or indirectly.

Investments are carried at fair value based on quoted prices in active markets (all level 1 measurements) and consist of the following at June 30, 2021:

	<u>FMV</u>
Certificate of Deposit – Iberia Bank	\$ 76,836
Certificate of Deposit – Hancock Whitney Bank	78,191
Certificate of Deposit - First Federal Savings and Loan	<u>52,210</u>
	\$ 207,238

A summary of return on investments consists of the following for the year ended June 30, 2021:

	<u>2021</u>
Interest and dividends	\$ 48
Net unrealized gain	<u>181</u>
Total return	<u>\$ 229</u>

Investments, in general are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

Southwest District Law Enforcement Planning Council, Inc.

**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

**NOTE D – PROPERTY AND EQUIPMENT**

Additions and deletions to property, plant, and equipment for the year ended June 30, 2021 were as follows:

	Balance, July 1, 2020	Additions	Disposals	Balance, June 30, 2021
Buildings	76,150	-	(3,903)	72,247
Furniture & Equipment	8,720	-	(6,861)	1,859
Total	<u>84,870</u>	<u>-</u>	<u>(10,764)</u>	<u>74,106</u>
Less Accumulated Depreciation	<u>(59,538)</u>	<u>(1,462)</u>	<u>10,764</u>	<u>(50,236)</u>
Capital Assets, net	<u>\$ 25,331</u>	<u>\$ (1,462)</u>	<u>\$ -</u>	<u>\$ 23,870</u>

Depreciation expense for the year ending June 30, 2021 totaled \$1,462.

**NOTE E – NET ASSETS**

Net assets without donor restrictions total \$597,310 for the year ending June 30, 2021. Net assets with donor restrictions total \$0.

**NOTE F – ALLOWANCE FOR DOUBTFUL ACCOUNTS**

The Council uses the allowance method to provide for uncollectible dues receivable. However, for the year ended June 30, 2021, there were no amounts that were deemed uncollectible by management.

**NOTE G – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Council's financial assets as of the balance sheet date, reduced by amounts available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. The Council has \$487,611 of financial assets available within one year of the balance sheet date to meet needs for general expenditure, consisting of cash and cash equivalents of \$280,373, and certificates of deposit of \$207,238. None of the total of the financial assets are subject to donor and other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The amount available to meet cash needs for general expenditures within one year are \$487,611. The Council has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations come due.

Southwest District Law Enforcement Planning Council, Inc.

**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE H – CONCENTRATION OF CREDIT RISK**

The Council maintains cash balances in bank accounts at one financial institution. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC insured) up to \$250,000. As of July 31, 2021, the uninsured balance was \$27,425. The Council believes it is not exposed to any significant credit risk on its cash balances.

Financial instruments that potentially subject the Council to credit risk are primarily district dues receivable. District dues receivable represent amounts due for operating expenses of the Council from law enforcement agencies which the Council serves. Amounts are past due when not paid by the end of the following fiscal year. District dues receivable totaled \$104,900 at June 30, 2021.

**NOTE I – COMPENSATED ABSENCES**

Employees of the Council are entitled to paid vacation, paid sick days, and personal days off depending on job classification, length of service and other factors. In addition, members of management have contracts or agreements with the Council that provide for compensated absences. The value of these compensated absences was not recorded due to their immateriality. The Council's policy is to recognize the costs of compensated absences when actually paid to employees.

**NOTE J - RETIREMENT PLAN**

The Southwest District Law Enforcement Planning Council, Inc. maintains a simplified employee pension plan (SEP) that covers all full-time personnel who have completed three years of continuous service. The total contributions amounted to \$750 for the year ended June 30, 2021.

**NOTE K – FUNCTIONAL ALLOCATION OF EXPENSES**

Expenses were allocated in the accompanying financial statements to program and support services functional expense groups. The methods of allocation were based on the Council's estimates of the relative proportion of various staff member's time and effort between program and support services as well as the Council's estimates of the amount of each expense utilized for program or support service functions.

**NOTE L – SUBSEQUENT EVENTS**

Subsequent events were evaluated through December 22, 2021, which is the date the financial statements were available to be issued.

On March 13, 2020, the President of the United States declared the COVID-19 outbreak to be a national emergency. The Council evaluated the effects of the outbreak and ensuing economic repercussions. As economic uncertainties have arisen which are likely to negatively impact financial resources, and considerable uncertainty around the duration, the related financial impact and duration cannot to be reasonably estimated at this time.

Southwest District Law Enforcement Planning Council, Inc.

**NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

**NOTE M – PRIOR PERIOD ADJUSTMETNS**

The Agency made adjustments to clear out old outstanding checks as of June 30, 2021. This resulted in a decrease of \$102 to net assets as of June 30, 2021.

## **Other Information**

Southwest District Law Enforcement Planning Council, Inc.

Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head or Chief Executive Officer  
For the Year Ended June 30, 2021

Agency Head Name: Executive Director

Purpose	Blair McAllister Peloquin Amount
Salary	\$44,250
Benefits- insurance	\$5,333
Benefits-retirement	\$750
Benefits- other	\$0
Car allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0