

BOSSIER PARISH SHERIFF
Benton, Louisiana

Financial Statements
Year ended June 30, 2020



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BOSSIER PARISH SHERIFF
Benton, Louisiana

Financial Statements
Year ended June 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Julian C. Whittington
Bossier Parish Sheriff
Benton, 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 Bossier Parish Sheriff as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, which includes each fiduciary fund type of the Bossier Parish Sheriff, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of the sheriff's proportionate share of the net pension liability, the schedule of the sheriff's pension contributions and notes, the schedule of changes in net OPEB liability and related ratios, the schedule of employer contributions for other post-employment benefits, and the schedule of investment returns for other post-employment benefits, on pages 4 through 10 and 42 through 53 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Sheriff's basic financial statements. The combining fiduciary funds statement of fiduciary net position, statement of changes in assets and liabilities, and schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of compensation, benefits, and other payments to agency head, is presented in accordance with Louisiana Revised Statutes (LRS) 24:513(A)(3). These schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fiduciary funds statement of fiduciary net position, statement of changes in assets and liabilities, the schedule of expenditures of federal awards, and the schedule of compensation, benefits, and other payments to agency head, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2020, on our consideration of the Bossier 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 Bossier 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 Bossier Parish Sheriff's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

November 30, 2020

BOSSIER PARISH SHERIFF
Benton, Louisiana

Management's Discussion and Analysis (Unaudited)
June 30, 2020

Within this section of the Bossier Parish Sheriff's ("Sheriff") Office annual financial report, the Sheriff's management is to provide this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2020. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Sheriff's assets exceeded its liabilities by \$10,264,861 (net position) for the fiscal year ended June 30, 2020.

The net position is composed of the following:

- Net investment in capital assets of \$25,913,739, representing property and equipment of \$49,933,912 reduced by accumulated depreciation of \$24,020,173.
- Unrestricted net position (deficit) of (\$15,648,878) represents the portion needed to maintain the Sheriff's continuing obligation to the citizens of Bossier Parish.

The Sheriff's governmental funds reported total ending fund balance of \$29,207,262 this year. This compares to the prior year ending fund balance of \$26,120,059 resulting in an increase of \$3,087,203 during the current year.

At the end the current fiscal year, unassigned fund balance for the General Fund was \$28,684,396, which represents 71% of the total expenditures of the Sheriff's General Fund and 66% of total revenues in the General Fund, including other financing sources. Overall, the Sheriff's office continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis introduces the Sheriff's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Sheriff also includes in this report, additional information to supplement the basic financial statements.

Exhibit 1 below summarizes the major features of the Sheriff's financial statements, including the portion of the Sheriff's government they cover and the types of information they contain. The remainder of this overview section of this Management's Discussion and Analysis explains the structure of the contents of each of the statements.

| Exhibit 1 Major Features of Sheriff's Government and Fund Financial Statements | | | |
|---|--|---|---|
| | Government-Wide Statements | Fund Statements Governmental Funds | Fiduciary Funds |
| Scope | The entire Sheriff's governmental unit (excluding fiduciary funds). | The activities of the Sheriff that are not proprietary or fiduciary, such as public safety. | Instances in which the Sheriff is the trustee or agent for someone else's resources. |
| Required financial statements | <ul style="list-style-type: none"> • Statement of net position. • Statement of activities. | <ul style="list-style-type: none"> • Balance sheet. • Statement of revenue, expenditures and changes in fund balances. | <ul style="list-style-type: none"> • Statement of fiduciary net position. • Statement of changes in fiduciary net position. |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus. | Modified accrual accounting and current financial resources focus. | Accrual accounting and economic resource focus. |
| Type of asset/liability | All assets and liabilities, both financial and capital, and short-term and long-term. | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets are included. | All assets and liabilities, both short-term and long-term; the Sheriff's funds do not currently contain capital assets, although they can. |
| Type of inflow/outflow information | All revenues and expenses during the year, regardless of when cash is paid or received. | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter. | All revenues and expenses during the year, regardless of when cash is received or paid. |

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to private sector using the economic resources measurement focus and the accrual basis of accounting.

The first of these government-wide statements is the Statement of Net Position. The government-wide statement of net position presents information that includes all of the Sheriff's assets and liabilities, with the difference reported as net position. Increase or decrease in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when funds are received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property and sales taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented on pages 12 and 13.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

The Sheriff uses two kinds of funds, governmental funds and fiduciary funds:

In fund financial statements, governmental funds encompass the same functions reported as governmental activities in government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. The fund statements report short-term fiscal accountability focusing on the use of expendable resources and balances of expendable resources available at the end of the year. The fund statements are utilized in evaluating annual financial requirements of governmental programs and the commitment of expendable resources of the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the government fund Balance Sheet and the government fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Fiduciary funds consist of agency funds which are reported in the fund financial statements and report taxes collected for the other taxing bodies and deposits held pending court actions. Since these resources are not available to support the Bossier Parish Sheriff's programs, fiduciary funds are not reflected in the government-wide financial statements.

The basic government fund and fiduciary fund financial statements are presented on pages 15 to 20 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to financial statements begin on page 21 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sheriff's budget presentation, net pension liability, and other post-employment benefits. This information can be found on pages 43 through 48 in this report.

The combining statements for fiduciary funds and a schedule of compensation, benefits, and other payments to the agency head, are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Bossier Parish Sheriff exceeded liabilities by \$10,264,861. The largest portion of the Bossier Parish Sheriff's Net Position reflects its investment in capital assets (e.g., land, buildings and improvements and equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Bossier Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation (since construction and/or acquisition) on assets of very long-lived assets having been included in the statement of net position.

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

The Sheriff's government-wide net position at June 30, 2020, is \$10,264,861. The following table provides a summary of the Sheriff's government-wide assets and deferred outflow of resources, liabilities and deferred inflow of resources, and net position.

| | 2020 | | 2019 | |
|--|----------------------|------------------|---------------------|------------------|
| Cash, cash equivalents, receivables and other assets | \$ 31,292,895 | 46.18% | \$ 28,366,433 | 45.69% |
| Capital assets, net of accumulated depreciation | 25,913,739 | 38.24% | 27,025,581 | 43.53% |
| Deferred outflows of resources | 10,552,006 | 15.58% | 6,694,297 | 10.78% |
| Total assets and deferred outflow of resources | <u>67,758,640</u> | <u>100.00%</u> | <u>62,086,311</u> | <u>100.00%</u> |
| Current liabilities | 2,085,634 | 3.63% | 2,246,374 | 4.10% |
| Long-term liabilities | 32,999,546 | 57.40% | 28,966,658 | 52.89% |
| Deferred inflows of resources | 22,408,599 | 38.97% | 23,553,794 | 43.01% |
| Total liabilities and deferred inflow of resources | <u>57,493,779</u> | <u>100.00%</u> | <u>54,766,826</u> | <u>100.00%</u> |
| Net position | | | | |
| Net investment in capital assets | 25,913,739 | 252.45% | 27,025,581 | 369.23% |
| Unrestricted | <u>(15,648,878)</u> | <u>(152.45%)</u> | <u>(19,706,096)</u> | <u>(269.23%)</u> |
| Net position (deficit) | \$ <u>10,264,861</u> | <u>100.00%</u> | \$ <u>7,319,485</u> | <u>100.00%</u> |

The Sheriff continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for the government activities is 15:1.

The Sheriff reported an overall positive balance in net position of the government-wide activities. Net position increased by \$2,945,376 for government-wide activities from prior year government-wide net position of \$7,319,485. The Sheriff has \$10,264,861 in net position as of June 30, 2020, of which 252.5% of the government-wide activities' net position (deficit) is associated with capital assets. The Sheriff uses these capital assets to provide services to the citizens of Bossier Parish in the performance of its public safety activities.

The following table provides a summary of the Sheriff's changes in net position at June 30:

| | <u>2020</u> | <u>2019</u> |
|--------------------------------------|----------------------|---------------------|
| Revenues | | |
| Program revenues | | |
| Fees, fines and charges for services | \$ 13,448,667 | \$ 17,005,694 |
| Operating grants and contributions | 322,202 | 346,671 |
| General revenues | | |
| Taxes | | |
| Property taxes | 14,498,627 | 14,035,936 |
| Sales and use taxes | 11,137,387 | 10,797,392 |
| State revenue sharing | 508,149 | 506,490 |
| Supplemental pay | 1,737,540 | 1,670,879 |
| Interest and investment earnings | 240,336 | 74,535 |
| Miscellaneous | 3,262,206 | 2,658,987 |
| Total revenues | <u>45,155,114</u> | <u>47,096,584</u> |
| Program expenses | | |
| Public safety | <u>42,209,738</u> | <u>43,096,313</u> |
| Total expenses | <u>42,209,738</u> | <u>43,096,313</u> |
| Change in net position | 2,945,376 | 4,000,271 |
| Beginning net position | <u>7,319,485</u> | <u>3,319,214</u> |
| Ending net position (deficit) | <u>\$ 10,264,861</u> | <u>\$ 7,319,485</u> |

Financial Analysis of the Government's Funds

As noted earlier, the Bossier Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2020, combined governmental fund balances of \$29,207,262 showed an increase of \$3,087,203 over June 30, 2019.

General Fund Budgetary Highlights

The original 2019-2020 budget for the General Fund budget was adopted in June 2019.

The original budget was amended on June 24, 2020, to the actual revenue and expenditures as presented to the external auditors. There were no variances between the amended budget and actual revenues and actual expenditures.

Capital Asset

The Sheriff's investment in capital assets, net of accumulated depreciation of \$24,020,173, as of June 30, 2020, was \$25,913,739. See Note 4 for additional information about changes in capital assets during the fiscal year. The following table provides a summary of capital asset activity.

| | <u>2020</u> | <u>2019</u> |
|--|----------------------|----------------------|
| Capital assets | | |
| Land | \$ 2,030,740 | \$ 2,030,740 |
| Construction in progress | 111,445 | 137,727 |
| Buildings | 28,675,301 | 28,640,549 |
| Law enforcement, weapons and equipment | 4,525,365 | 4,623,940 |
| Vehicles | 9,044,906 | 8,748,817 |
| Office furniture and equipment | 4,756,887 | 4,764,637 |
| Infrastructure | 789,268 | 789,268 |
| Total capital assets | <u>49,933,912</u> | <u>49,532,755</u> |
| Less accumulated depreciation | (24,020,173) | (22,507,174) |
| Book value – capital assets | <u>\$ 25,913,739</u> | <u>\$ 27,025,581</u> |
| Percentage depreciated | <u>48.10%</u> | <u>45.44%</u> |

At June 30, 2020, the depreciable capital assets for government activities were 48.10% depreciated versus 45.44% in the prior year. Depreciation expense of buildings, computer equipment, office equipment and vehicles was \$2,556,535 for fiscal year 2020 and is included in total expenses for the public safety activity.

During fiscal year 2020, significant capital asset additions consisted mostly of purchases of weapons, equipment, vehicles, and building improvements.

Other Post-Employment Benefits

For the year ended June 30, 2020, the Bossier Parish Sheriff's Office recognized a net OPEB liability of \$15.9 million. The plan had a plan fiduciary net position of \$18.5 million as of June 30, 2020.

Net Pension Liability

For the year ended June 30, 2020, the Bossier Parish Sheriff's Office recognized a net pension liability of \$16.1 million. The prior year liability was \$12.7 million. The \$3.4 million increase in liability was due to changes in actuarial assumptions for the Sheriff's Pension and Relief Fund for Louisiana.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources, although similar to "assets," is set apart because these items do not meet the technical definition of being an asset of the Sheriff on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflow of resources will become an expense/expenditure. The deferred outflow of resources reported for the Sheriff relate to pensions and other post-employment benefits.

Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the Sheriff as of the date of the financial statements. When all the recognition criteria are met, the deferred inflow of resources will become revenue or an increase to net position. The Sheriff has deferred inflows of resources related to pensions and deferred inflows related to other post-employment benefits. The amounts reported represent a net amount attributable to the various components that impact changes, and can include investment changes amortization, changes due to actuarial assumptions, and differences between expected or actual experience.

Requests for Information

The financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report contact Tara Ball, Bossier Parish Sheriff's Office, P.O. Box 850, Benton, Louisiana 71006.

Government – Wide Financial Statements

BOSSIER PARISH SHERIFF
Benton, Louisiana

Statement of Net Position
June 30, 2020

| | |
|---|----------------------|
| Assets | |
| Current assets | |
| Cash and cash equivalents | \$ 28,513,370 |
| Receivables | 2,259,047 |
| Prepaid expenses | 520,478 |
| Total current assets | <u>31,292,895</u> |
| Capital assets, net of accumulated depreciation | 25,913,739 |
| Total assets | <u>57,206,634</u> |
| Deferred Outflows of Resources | |
| Deferred other post-employment benefits | 1,696,909 |
| Deferred pensions | 8,855,097 |
| Total deferred outflows of resources | <u>10,552,006</u> |
| Liabilities | |
| Current liabilities | |
| Accounts payable | 312,044 |
| Accrued expenses | 1,773,590 |
| Total current liabilities | <u>2,085,634</u> |
| Long-term liabilities | |
| Portion due within one year | |
| Accrued compensated absences | 975,649 |
| Portion due after one year | |
| Net other post-employment benefit liability | 15,883,131 |
| Net pension liability | 16,140,766 |
| Total long-term liabilities | <u>32,999,546</u> |
| Total liabilities | <u>35,085,180</u> |
| Deferred Inflows of Resources | |
| Deferred other post-employment benefits | 18,682,013 |
| Deferred pensions | 3,726,586 |
| Total deferred inflows of resources | <u>22,408,599</u> |
| Net position | |
| Net investment in capital assets | 25,913,739 |
| Unrestricted | (15,648,878) |
| Total net position | <u>\$ 10,264,861</u> |

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

BOSSIER PARISH SHERIFF
Benton, Louisiana

Statement of Activities
for the Year ended June 30, 2020

| | | Program Revenues | | |
|----------------------------------|---------------|--|--|--|
| | Expenses | Fees, fines and charges for services | Operating grants and contributions | Net (expense) revenue and changes in net position |
| Functions/programs | | | | |
| Governmental activities | | | | |
| Public safety | \$ 42,209,738 | \$ 13,448,667 | \$ 322,202 | (\$ 28,438,869) |
| Total governmental activities | \$ 42,209,738 | \$ 13,448,667 | \$ 322,202 | (28,438,869) |
| General revenues | | | | |
| Taxes - | | | | |
| Property taxes | | | | 14,498,627 |
| Sales and use taxes | | | | 11,137,387 |
| State revenue sharing | | | | 508,149 |
| Supplemental pay | | | | 1,737,540 |
| Interest and investment earnings | | | | 240,336 |
| Miscellaneous | | | | 3,262,206 |
| Total general revenues | | | | 31,384,245 |
| Change in net position | | | | 2,945,376 |
| Net position, beginning | | | | 7,319,485 |
| Net position, ending | | | | \$ 10,264,861 |

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

Fund Financial Statements

BOSSIER PARISH SHERIFF
Benton, Louisiana

Balance Sheet - Governmental Funds
June 30, 2020

| | Major Fund <u>General Fund</u> | Other Governmental Fund <u>Capital Projects - Construction Fund</u> | <u>Total</u> |
|--------------------------------------|--|--|----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 28,510,982 | \$ 2,388 | \$ 28,513,370 |
| Receivables | 2,259,047 | - | 2,259,047 |
| Prepaid expenses | 520,478 | - | 520,478 |
| | <u>31,290,507</u> | <u>2,388</u> | <u>31,292,895</u> |
| Total assets | <u>\$ 31,290,507</u> | <u>\$ 2,388</u> | <u>\$ 31,292,895</u> |
| Liabilities and Fund Balances | | | |
| Liabilities | | | |
| Accounts payable | \$ 312,044 | \$ - | \$ 312,044 |
| Accrued expenses | 1,773,590 | - | 1,773,590 |
| Total liabilities | <u>2,085,634</u> | <u>-</u> | <u>2,085,634</u> |
| Fund balances | | | |
| Nonspendable - prepaid expenses | 520,478 | - | 520,478 |
| Assigned - capital projects | - | 2,388 | 2,388 |
| Unassigned | 28,684,395 | - | 28,684,395 |
| | <u>29,204,873</u> | <u>2,388</u> | <u>29,207,261</u> |
| Total fund balances | <u>29,204,873</u> | <u>2,388</u> | <u>29,207,261</u> |
| Total liabilities and fund balances | <u>\$ 31,290,507</u> | <u>\$ 2,388</u> | <u>\$ 31,292,895</u> |

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

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position
June 30, 2020**

| | | |
|---|----------------------|----------------------|
| Total fund balances - Governmental Funds | | \$ 29,207,261 |
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. | | |
| Cost of capital assets | 49,933,912 | |
| Less accumulated depreciation | <u>(24,020,173)</u> | 25,913,739 |
| Deferred outflows of resources related to pensions | | 8,855,097 |
| Deferred outflows of resources related to OPEB | | 1,696,909 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds | | |
| Net other post-employment benefit liability | (15,883,131) | |
| Compensated absences payable | (975,649) | |
| Net pension liability | <u>(16,140,766)</u> | <u>(32,999,546)</u> |
| The net other post-employment benefits liability resulting from contributions in excess of the annual required contributions are not financial resources and therefore are not reported in the funds. | | |
| | | (18,682,013) |
| Deferred inflows of resources related to pensions | | <u>(3,726,586)</u> |
| Net changes | | <u>(18,942,400)</u> |
| Total net position - government-wide activities | | <u>\$ 10,264,861</u> |

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

BOSSIER PARISH SHERIFF
Benton, Louisiana

**Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
for the Year ended June 30, 2020**

| | Major Fund | Other Governmental Fund | |
|---|----------------------|--|----------------------|
| | General Fund | Capital Projects Fund - Construction Fund | Total |
| Revenues | | | |
| Ad valorem taxes | \$ 14,498,627 | \$ - | \$ 14,498,627 |
| Sales taxes | 11,137,387 | - | 11,137,387 |
| Intergovernmental revenues | | | |
| Federal grants | 234,008 | - | 234,008 |
| State sources | | | |
| Supplemental pay | 1,737,540 | - | 1,737,540 |
| Revenue sharing | 508,149 | - | 508,149 |
| Grants | 69,609 | - | 69,609 |
| Local grants | 18,586 | - | 18,586 |
| Fees, charges, and commissions for services | | | |
| Commissions on licenses and taxes | 5,360 | - | 5,360 |
| Civil and criminal fees | 1,389,561 | - | 1,389,561 |
| Court attendance | 28,662 | - | 28,662 |
| Transporting prisoners | 239,890 | - | 239,890 |
| Feeding and keeping prisoners | 9,849,831 | - | 9,849,831 |
| Tax notices | 7,663 | - | 7,663 |
| Probation fees | 422,266 | - | 422,266 |
| Gaming fees | 1,016,159 | - | 1,016,159 |
| Other fees | 1,105,528 | - | 1,105,528 |
| Use of money and property | 240,335 | 1 | 240,336 |
| Miscellaneous | 655,038 | - | 655,038 |
| Total revenues | <u>43,164,199</u> | <u>1</u> | <u>43,164,200</u> |
| Expenditures | | | |
| Current- public safety | | | |
| Personnel services and related benefits | 31,190,954 | - | 31,190,954 |
| Operating services | 4,315,463 | - | 4,315,463 |
| Materials and supplies | 3,072,816 | - | 3,072,816 |
| Travel and other charges | 318,538 | - | 318,538 |
| Capital outlay | 1,465,233 | - | 1,465,233 |
| Total expenditures | <u>40,363,004</u> | <u>-</u> | <u>40,363,004</u> |
| Excess of revenues over expenditures | <u>2,801,195</u> | <u>1</u> | <u>2,801,196</u> |
| Other financing sources and uses | | | |
| Operating transfer out | (280,000) | - | (280,000) |
| Insurance claim proceeds | 495,877 | - | 495,877 |
| Proceeds from sale of fixed assets | 70,129 | - | 70,129 |
| Total other financing sources and uses | <u>286,006</u> | <u>-</u> | <u>286,006</u> |
| Net change in fund balances | 3,087,201 | 1 | 3,087,202 |
| Fund balances at beginning of year | <u>26,117,672</u> | <u>2,387</u> | <u>26,120,059</u> |
| Fund balances at end of year | <u>\$ 29,204,873</u> | <u>\$ 2,388</u> | <u>\$ 29,207,261</u> |

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

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds to the Statement of Activities
for the Year ended June 30, 2020**

| | | |
|--|---------------------|---------------------|
| Net change in fund balances | | \$ 3,087,202 |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the effect of capital outlay, depreciation expense, and other capital asset transactions in the current period.</p> | | |
| Capital outlay | 1,465,233 | |
| Net gain (loss) on the disposal of capital assets | (20,541) | |
| Depreciation expense | <u>(2,556,535)</u> | (1,111,843) |
| <p>Deferred outflows for pensions and OPEB that are not reported in the governmental funds but are reported in the government-wide statements.</p> | | |
| Pensions | 2,160,800 | |
| OPEB | <u>1,696,909</u> | 3,857,709 |
| <p>Deferred inflows for pensions and OPEB that are not reported in the governmental funds but are reported in the government-wide statements.</p> | | |
| Pensions | 1,394,505 | |
| OPEB | <u>(249,309)</u> | 1,145,196 |
| <p>The net OPEB liability is not susceptible to accrual and therefore is not reported in the funds. This amount represents the change in the net OPEB asset/liability.</p> | | |
| | | (491,970) |
| <p>The net pension liability is not susceptible to accrual and therefore is not reported in the funds. This amount represents the change in the net pension liability.</p> | | |
| | | (3,448,651) |
| <p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.</p> | | |
| Compensated absences decrease in current year | | <u>(92,267)</u> |
| Net changes | | <u>(141,826)</u> |
| Change in net position of governmental activities | | \$ <u>2,945,376</u> |

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

BOSSIER PARISH SHERIFF
Benton, Louisiana

Statement of Fiduciary Net Position -
Fiduciary Funds
June 30, 2020

| | Retired Employees Benefit Trust Fund | Agency Funds |
|--|---|--------------|
| Assets | | |
| Cash and cash equivalents | \$ - | \$ 4,147,408 |
| Investments | 18,459,474 | - |
| Accounts receivable from General Fund | 30,000 | - |
| Total assets | \$ 18,489,474 | \$ 4,147,408 |
| Liabilities | | |
| Unsettled balances due to taxing bodies and others | \$ - | \$ 4,147,408 |
| Total liabilities | \$ - | \$ 4,147,408 |
| Net Position | | |
| Restricted for other postemployment benefits | 18,489,474 | - |
| Total liabilities and net position | \$ 18,489,474 | \$ 4,147,408 |

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

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
for the Year ended June 30, 2020**

| | Retired Employee Benefit Trust Fund |
|---|--|
| Additions | |
| Contributions | |
| General Fund | \$ 280,000 |
| Total contributions | 280,000 |
| Investment earnings | |
| Net change in fair value of investments | (513,496) |
| Capital gains | 695 |
| Dividends | 811,445 |
| Total investment earnings | 298,644 |
| Less investment expense | 94,390 |
| Net investment earnings | 204,254 |
| Total additions | 484,254 |
| Reductions | - |
| Change in Net Position | 484,254 |
| Net Position, July 1, 2019 | 18,005,220 |
| Net Position, June 30, 2020 | \$ 18,489,474 |

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

BOSSIER PARISH SHERIFF
Benton, Louisiana

Notes to Financial Statements
June 30, 2020

Introduction

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Bossier Parish Sheriff (the "Sheriff") serves a four-year term as the chief executive officer of the law enforcement district and as 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, and 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 the Parish. The Sheriff provides protection to the residents of the Parish through on-site patrols and investigations and serves the residents of the Parish through the establishment of neighborhood watch programs, anti-drug abuse programs, etc. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the Parish.

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

NOTE 1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity - The basic criterion for determining whether a governmental organization should be included in a primary governmental unit's reporting entity for financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government or an entity which, when excluded would create misleading or incomplete financial statements, should be included in its reporting entity. The accompanying financial statements include the operations of the Sheriff. There are no component units for which the Sheriff is financially accountable.

The position of Sheriff is a constitutional office and as such has power to set budgets, call tax elections, and appropriate funds with no oversight or review by the Bossier Parish Police Jury (the "Police Jury"). The Police Jury has an obligation to furnish the Sheriff office space and minimal financial support according to state statutes. The Police Jury is not responsible for the financing of deficits of the Sheriff, nor is it entitled to receive any surplus. The Sheriff is not included as a component unit in the reporting entity of the Police Jury for financial reporting purposes.

The Police Jury maintains and operates the parish courthouse, as required by Louisiana Law, in which part of the Sheriff's office is located. These expenditures are not recorded in the accompanying financial statements.

Basis of presentation - The accompanying basic financial statements of the Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities and funds of the reporting entity, which are considered to be governmental activities. Fiduciary funds are reported only in the Statement of Fiduciary Net Position – Fiduciary Funds and Statement of Changes in Fiduciary Net Position – Fiduciary Funds at the fund financial statement level.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements - The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff's functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. 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 (10%) percent of the corresponding total for all governmental funds.

The Sheriff reports the following major governmental fund:

General Fund - The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff and accounts for the operations of the Sheriff. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district and state revenue sharing. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and maintaining and transporting of prisoners. General operating expenditures are paid from this fund. The Sheriff's Correctional Facility Fund is included as part of the General Fund for reporting purposes. This fund was previously classified as a special revenue fund; however, it no longer meets that criteria.

The Sheriff also reports the following fund types:

Capital Project Funds - Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Funds - Fiduciary funds are used to account for assets held by the Sheriff in a trustee capacity or as an agent for individuals, private organizations, and other governmental units. The funds accounted for in this category are the Pension (and Other Post-employment Benefits) Trust Funds and the Agency Funds.

Pension Trust Funds - These funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. The Sheriff's Retired Employee Benefit Trust Fund accounts for the assets held in an irrevocable trust for payment of retirees' insurance premiums.

Agency Funds - These funds are used to account for assets held in a trustee capacity. The Sheriff's Agency Funds are used as depositories for civil suits, cash bonds, taxes, fees, etc. Disbursements from these funds are made to various parish agencies, litigants in suits, etc., in the manner prescribed by law. The accounts of the Tax Collector Agency Fund are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others. The Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus.

Measurement focus/basis of accounting - The governmental financial statements were prepared using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Sheriff's operations.

The amounts reflected in the governmental fund financial statements use the modified accrual basis of accounting. 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 pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within sixty (60) days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain long term compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The government-wide financial statements are accounted for using an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. The government-wide financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset used.

The following practices are used in recording revenues and expenditures within the governmental funds:

Revenues - Ad valorem taxes, sales taxes and commissions earned from state revenue sharing are recorded in the year they become due and payable. Ad valorem taxes are assessed for the calendar year on January 1. Ad valorem taxes are levied and the tax roll is filed on or before November 15 of each year. Tax notices are usually mailed shortly after November 15. Ad valorem taxes are payable by December 31 and become delinquent thereafter. The lien date is January 1. An interest rate of 1% per month is charged from January until paid. The taxes are generally collected in December, January, and February of the fiscal year. Any property with delinquent taxes may be sold at the tax sale held in June.

Revenue sharing is generally collected in three equal installments in December, March and May of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest income on time deposits is recorded as earned.

Substantially all other revenues are recorded when received.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources - Proceeds from the sale of fixed assets, transfers between funds, and compensation from loss or damaged assets are accounted for as other financing sources and are recognized when the underlying events occur.

The following practices are used in recording additions and reductions within the Fiduciary Funds (agency funds):

Additions - The majority of additions are not susceptible to accrual because they are not measurable until received in cash.

Reductions - Reductions are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgetary accounting - The Sheriff utilizes the following procedures in establishing the budgetary data for the General Fund:

- 1) During May, the Sheriff's office prepares the proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) A public hearing is held on the proposed budget.
- 3) The adopted budget is published in the official journal prior to the commencement of the fiscal year for which the budget is being adopted.
- 4) A public hearing is held for proposed amendments to the budget.
- 5) Amended budget is published in official journal.
- 6) All budgetary appropriations lapse at the end of each fiscal year.
- 7) The budget is prepared on the same basis as these financial statements are prepared, specifically the modified accrual basis, as described in the preceding pages. Expenditures may not legally exceed appropriations on a fund basis.

The proposed budget for the year ended June 30, 2020, was made available for public inspection and was published in the Bossier Press-Tribune, more than ten days before the public hearing, which was held on June 26, 2019, at the Bossier Parish Sheriff's office for comments from taxpayers. The original budget was amended on June 24, 2020, to the actual revenue and expenditures as presented to the external auditors.

Encumbrances and budget - Encumbrance accounting, under which purchase orders are recorded to reserve that portion of the applicable appropriation, is not employed. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

Cash and cash equivalents - Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits and time deposits. These deposits are stated at cost, which approximates market.

Investments - Investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

State law authorizes the Sheriff, as the Tax Collector for Bossier Parish, to deposit tax collections in interest-bearing accounts with a bank domiciled in the parish when the funds are collected. State statutes authorize the Sheriff to invest in direct United States Treasury obligations; indebtedness issued or guaranteed by federal governmental agencies (provided such obligations are backed by the full faith and credit of the U.S. government); indebtedness issued or guaranteed by federally sponsored U.S. government agencies; time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana; or mutual or trust fund institutions which are registered with the Securities and Exchange Commission. . In addition, local governmental entities in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. ("LAMP"), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a-7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. LAMP is designed to be highly liquid to give participants immediate access to their account balances. The balance of cash in LAMP is classified as “Cash and cash equivalents” on the Statement of Net Position because the account operates as or similar to a money market.

In addition, R.S. 13:5554.1C limits the Bossier Parish Retired Employees Insurance Fund (BREIF) investments to not less than twenty-five percent of the portfolio may be invested in equities, and at least twenty-five percent of the portfolio will be invested in fixed income provided that the average credit quality of the fixed income portion is rated investment grade by a nationally recognized rating agency.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Capital assets - Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains the following threshold levels for capitalizing assets: \$500 or more for office equipment, communication equipment, office furniture and fixtures, and computer equipment; \$3,000 or more for computer software, general equipment, heavy equipment, industrial grade furniture and equipment, and law enforcement equipment; building improvements over \$10,000; and all titled assets and weapons regardless of cost.

Capital assets are recorded in the Statement of Net Position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the useful lives.

| Description | Estimated Lives |
|---------------------------------------|-----------------|
| Buildings and building improvements | 20-40 years |
| Office furniture and equipment | 5-10 years |
| Vehicles | 5-15 years |
| Law enforcement weapons and equipment | 5-20 years |

Compensated absences - Employees of the Sheriff’s office earn from 10 to 20 days of vacation leave, depending upon their length of service. Employees resigning during the year may be paid for unused vacation leave at the employee’s current rate of pay. Vacation leave must be taken by December 31 of that calendar year. No more than 40 hours of vacation time may be carried over into the following year for extenuating circumstances and must be used by the end of February and approved by the Division Chief, the Chief Criminal Deputy of the Sheriff.

Employees are allowed up to ten days noncumulative sick leave per calendar year. Employees are not paid for accumulated sick leave upon retirement or resignation.

Compensatory Time is defined as the time off awarded to non-exempt Bossier Sheriff’s Office employees for hours worked beyond the normal hours. Any time worked in excess of 40 hours per 7 day period for non-law enforcement personnel or 86 hours per 14 day period for law enforcement personnel shall be compensated in comp time at a rate of 1.5 hours earned for every hour worked in excess of 40 hours or 86 hours, respectively. Accrued but unused compensatory time shall be cashed out within a reasonable time following termination of employment or at the sole option of the Sheriff.

There is no portion of the accrued liability for compensated absences due after one year. The liability for compensatory time and unused vacation at June 30, 2020, is included in the government-wide financial statements as a long-term liability due within one year.

Claims and judgments - Claims and judgments are recorded as expenditures in governmental funds for the amount that will be liquidated with current available financial resources. The remainder of any liability is recorded in the government-wide financial statements.

Net position classifications - In the government-wide statements, net position are classified and displayed in three components:

- Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and related debt.
- Restricted net position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position: Net position that does not meet the definition of "restricted" or "net investment capital assets".

Fund balance classification – The fund balance is classified into categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending restraints:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Sheriff. These amounts cannot be used for any other purpose unless the Sheriff removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: This classification includes amounts that are constrained by the Sheriff's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Sheriff or by an official or body to which the Sheriff delegates the authority. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes the residual fund balance for the General Fund and also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The Sheriff would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

On-Behalf payments for fringe benefits and salaries - The Bossier Parish Sheriff receives on-behalf payments from the State of Louisiana to be used for supplemental pay to qualified law enforcement officers. On-behalf payments to the Sheriff totaled \$1,737,540 for the fiscal year ended June 30, 2020. Such payments are recorded as intergovernmental revenue and public safety personnel expenses in the GAAP basis government-wide and general fund financial statements.

Use of estimates - The preparation of financial statements in conformity with U. S. generally accepted accounting principles 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, expenditures, expenses, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows and Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

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

Other post-employment benefits (OPEB) liability - For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are held in a trust and governed by an Investment Advisory Board consisting of the comptroller of the sheriff's office, five retired sheriffs or deputy sheriffs, and one active deputy sheriff.

Budgets and budget basis of accounting - Annual expenditure budgets are adopted for the General Fund which includes the Correctional Facility Fund.

Subsequent Events - Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 30, 2020, and determined there were no events that occurred that required disclosure.

Accounting pronouncements - The Bossier Parish Sheriff adopted Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* for the fiscal year 2020 reporting. Statement No. 95 provides temporary relief to governments and other stakeholders in light of COVID-19 pandemic. This Statement extends the effective dates of certain accounting and financing reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018, and later.

Due to *Governmental Accounting standards Board (GASB) Statement No. 95*, the following statements were not required to be implemented by the Bossier Parish Sheriff during the current fiscal year.

- GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes guidance for governments to recognize and measure legally enforceable liabilities associated with the retirement of certain tangible capital assets and determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to asset retirement obligations.
- GASB Statement No. 84, *Fiduciary Activities*, establishes improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and establishes criteria for identifying fiduciary activities of all state and local governments.

- GASB Statement No. 88, *Certain Disclosures related to Debt*, including Direct Borrowings and Direct Placements, establishes improved information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.
- GASB Statement No. 90, *Majority equity interests* - An Amendment of GASB Statements No. 14 and No. 61, the primary objective of this statement is to improve the consistency of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

The Bossier Parish Sheriff is currently evaluating the effects that these statements will have on its financial statements.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits - All deposits of the Sheriff are held by area financial institutions. At June 30, 2020, the carrying amount of the Sheriff's cash deposits was as follows:

| | Government- Wide Statement of Net Position | Fiduciary Funds Statement of Net Position |
|-----------------|--|---|
| Demand deposits | \$ 28,509,970 | \$ 4,147,408 |
| Petty cash | 3,400 | - |
| Total | <u>\$ 28,513,370</u> | <u>\$ 4,147,408</u> |

The bank balances in the General Fund and Fiduciary Funds totaled \$32,988,885. The difference in the bank balances and the carrying amounts presented above is mostly due to outstanding checks at June 30, 2020. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. Of the bank balances, \$250,000 was covered by federal depository insurance (GASB Category 1). In addition, as of June 30, 2020, the remaining amount was collateralized with securities held by the pledging financial institution's trust department or agent, but in the Sheriff's name (GASB Category 2).

Investments - The Sheriff had \$58,626 invested with LAMP at June 30, 2020. Because these investments are not evidenced by securities that exist in physical or book entry form, they are not categorized for the purposes of this note. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments may participate in LAMP. 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 are authorized to invest. The dollar weighted average portfolio maturity of LAMP is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. The fair value of a share in LAMP is the same as the book value (i.e., a share in the pool is always worth \$1.00 per share).

The Bossier Parish Retired Employees Insurance Fund (BREIF) is included in the Retired Employees Benefits Trust Fund as an investment asset. The Sheriff reports the Retired Employees Benefits Trust Fund as a fiduciary fund. These investments are managed by an investment management company.

Fair Value Measurement - The investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 - Investments reflect prices quoted in active markets.

Level 2 - Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Debt, equities, and investment derivatives classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor.

As of June 30, 2020, the Sheriff's assets held in the Retired Employees Benefit Trust Fund consisted of the following:

| Description | Credit Rating | Percentage of total portfolio | Fair market value | Fair value level |
|---------------------------|---------------|-------------------------------|-------------------|------------------|
| Cash and cash equivalents | N/A | 3.30% | \$ 608,342 | 1 |
| Bond Mutual Funds | A | 36.65% | 6,766,761 | 1 |
| Equity Mutual Funds | N/A | 57.15% | 10,549,919 | 1 |
| Alternative Mutual Funds | N/A | 2.90% | 534,452 | 1 |
| Total | | 100.01% | \$ 18,459,474 | |

The balance of cash in LAMP totaling \$58,626 is classified as "Cash and Cash equivalents" on the Statement of Net Position because the account operates as or similar to a money market.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2020, are as follows:

| | |
|---|--------------|
| Sales tax | \$ 662,251 |
| Ad valorem tax | 11,491 |
| Intergovernmental revenues: | |
| Federal grants | 62,602 |
| Gaming proceeds | 172,673 |
| Fees, charges, and commissions for services | 295,163 |
| Feeding and keeping prisoners | 919,402 |
| Reimbursements | 17,273 |
| Other | 118,192 |
| Total receivables before allowance | 2,259,047 |
| Allowance for uncollectibles | - |
| Total | \$ 2,259,047 |

NOTE 4 – CAPITAL ASSETS

A summary of changes in capital assets used in governmental activities is as follows:

| | Balance July 1, 2019 | Additions | Disposals | Balance June 30, 2020 |
|--|-------------------------|---------------------|---------------------|--------------------------|
| Land | \$ 2,030,740 | \$ - | \$ - | \$ 2,030,740 |
| Construction in progress | 137,727 | 44,653 | 70,935 | 111,445 |
| Buildings and improvements | 28,437,626 | 485,030 | 247,355 | 28,675,301 |
| Vehicles | 8,748,817 | 837,927 | 541,838 | 9,044,906 |
| Office furniture and equipment | 4,764,637 | - | 7,750 | 4,756,887 |
| Law enforcement weapons and equipment | 4,623,940 | 168,559 | 267,134 | 4,525,365 |
| Infrastructure | 789,268 | - | - | 789,268 |
| Total cost | <u>49,532,755</u> | <u>\$ 1,536,169</u> | <u>\$ 1,135,012</u> | <u>49,933,912</u> |
| Less accumulated depreciation | <u>22,507,174</u> | <u>\$ 2,556,535</u> | <u>\$ 1,043,536</u> | <u>24,020,173</u> |
| Capital assets, net | <u>\$ 27,025,581</u> | | | <u>\$ 25,913,739</u> |

Depreciation expense of buildings, computer equipment, office equipment and vehicles was \$2,556,535 for fiscal year 2020 and is included in total expenses for the public safety activity.

NOTE 5 – DEFINED BENEFIT PENSION PLAN

Plan Description

The Sheriffs' Pension and Relief Fund (the "Fund") was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' association and the employees of the Fund. 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 is a cost-sharing multiple-employer defined pension plan.

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

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.

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 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 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 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's Benefits

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. 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 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-two, 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.

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 year. For both years ended June 30, 2020 and 2019, the actuarially determined employer contribution rate was 12.25%, with an additional 0% allocated from the Funding Deposit Account. Employer contributions for the years ended June 30, 2020 and 2019, were \$2,999,619 and \$2,920,806, respectively.

In accordance with state statute, the Fund 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 for the year ended June 30, 2020. Non-employer contributions for the year ended June 30, 2020, were \$1,445,449.

Plan members are required by state statute to contribute 10.25% of their annual covered salary. The Bossier Parish Sheriff elected to contribute the entire contribution on behalf of its plan members who were hired prior to January 2013. For those hired subsequent to that date, the Sheriff contributed .25% on behalf of the employee and the 10% was paid by the plan member.

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

At June 30, 2020, the Sheriff reported a liability of \$16,140,766 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Sheriff's proportion was 3.412259% which increased .102408% from the proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$1,417,609, which included the Sheriff's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of (\$2,110).

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 of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference between expected and actual experience | \$ - | \$ 3,092,244 |
| Changes in assumptions | 4,932,845 | - |
| Net difference between projected and actual earnings on retirement plan investments | 580,833 | - |
| Changes in proportion and differences between Sheriff contributions and proportionate share of contributions | 341,800 | 634,342 |
| Sheriff contributions subsequent to measurement date | 2,999,619 | - |
| Total | <u>\$ 8,855,097</u> | <u>\$ 3,726,586</u> |

Deferred outflows of resources of \$2,999,619 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ending June 30,</u> | <u>Amount</u> |
|------------------------------------|----------------------|
| 2021 | \$ 820,425 |
| 2022 | \$ (579,157) |
| 2023 | \$ 641,954 |
| 2024 | \$ 869,302 |
| 2025 | \$ 376,368 |

Actuarial Assumptions – A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 (measurement date), are as follows:

| Actuarial Cost Method | Entry Age Normal Method |
|----------------------------------|--|
| Actuarial Assumptions: | |
| Investment rate of return | 7.10% net of investment expense |
| Discount rate | 7.10% |
| Projected salary increases | 5.5% (2.50% Inflation, 3% Merit) |
| Mortality rates | 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. |

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.

The rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the following table:

| Asset Class | Target Allocation | Real Return Arithmetic Basis | Long-Term Expected Rate of Return |
|------------------------------------|--------------------------|-------------------------------------|--|
| 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% |

Discount Rate - 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 of the Sheriff's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Sheriff's proportionate share of the Net Pension Liability using the discount rate of 7.10%, as well as what the Sheriff's proportionate share of the 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:

| | 1.0% Decrease (6.10%) | Current Discount Rate (7.10%) | 1.0% Increase (8.10%) |
|--|----------------------------------|--|----------------------------------|
| Sheriff's proportionate share of the net pension liability | \$ 33,752,810 | \$ 16,140,766 | \$ 1,318,626 |

Support of Non-employer Contributing Entities - Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Sheriff recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2020, the Sheriff

recognized revenue as a result of support received from non-employer contributing entities of \$1,445,449 for its participation in the Sheriff's Pension and Relief Fund.

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued Sheriffs' Pension and Relief Fund Audit Report at www.lla.la.gov. The Sheriffs' Pension and Relief Fund issues a publicly available audit report that includes financial statements and required supplementary information.

Payables to the Pension Plan - At June 30, 2020, the Sheriff had payables due to the pension plan totaling \$445,670.

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description and Administration - The Bossier Parish Sheriff's Office administers the Bossier Parish Sheriff's Office Retiree Benefits Plan (the Plan) - a single-employer defined benefit plan that is used to provide post-employment benefits other than pensions (OPEB) for all permanent full-time employees of the Sheriff. The Plan was established in January 1, 2013.

Management of the Plan – Management of the plan is vested in the Board, which consists of management and the Board of Directors, who may vary from time to time.

Plan Membership – At June 30, 2020, the Plan's membership consisted of the following:

| | |
|---|-----|
| Inactive plan members or beneficiaries currently receiving benefit payments | 121 |
| Inactive plan members entitled to but not yet receiving benefit payments | - |
| Active plan members | 410 |
| | 531 |

Benefits Provided – Medical/dental and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree only (not dependents). Employees are covered by the Louisiana Sheriffs' Pension and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; or, age 55 and 12 years of service.

Life insurance coverage is continued to retirees and based on a blended rate for active and retirees. Insurance coverage amounts are reduced at to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Contributions – The Sheriff has the authority to establish and amend the contribution requirements of the Sheriff and the plan members. Plan members are not required to contribute to their post-employment benefits costs.

Investments

Investment policy – The fund is governed by and Investment Advisory Board consisting of the comptroller of the sheriff's office (responsible for the day-day management and making and/or approving investment decisions) five retired sheriffs or deputy sheriffs and one active deputy sheriff. The following was the asset allocation policy as of June 30, 2020:

| <u>Asset Class</u> | <u>Target Allocation</u> |
|--------------------------|--------------------------|
| Equity mutual funds | 60% |
| Bond mutual funds | 37% |
| Alternative mutual funds | 3% |
| Cash | 3% |

Concentrations – The Trust has over 5% invested in the following funds; Growth Fund of America, 8.67%, Oakmark Fund, 8.34%, and Washington Mutual, 8.19%.

Rate of Return – For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 1.13%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Sheriff

The components of the net OPEB liability of the Sheriff at June 30, 2020, were as follows:

| | |
|---|----------------------|
| Total OPEB liability | \$ 34,372,605 |
| Plan fiduciary net position | <u>18,489,474</u> |
| Sheriff's net OPEB liability | <u>\$ 15,883,131</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 53.79% |

The Sheriff's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as July 1, 2019.

Actuarial Assumptions – The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|--|
| Inflation | 2.5% |
| Salary increases | 4.0%, including inflation |
| Investment rate of return | 5.0%, annually (Beginning of Year to Determine ADC) 5.0%, annually (As of End of Year Measurement Date) |
| Healthcare cost trend rates | 5.5% for 10 years then 4.5% |
| Mortality rates | SOA RP-2000 Table |

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

The long-term expected rate of return on OPEB 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 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. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized in the following table:

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------|---|
| Domestic Equity | 6.0% |
| Corporate Bonds | 5.0% |
| Agency Bonds | 3.5% |
| Cash | 0.0% |

Discount Rate – The discount rate used to measure the total OPEB liability was 5.0%. The projection of cash flows used to determine the discount rate assumed that Sheriff’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

| | <u>Increases (Decreases)</u> | | |
|--|--------------------------------|---------------------------------------|----------------------------------|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (a)-(b) |
| Balances at 6/30/2019 | 33,396,381 | 18,005,220 | 15,391,161 |
| Service Cost | 947,071 | - | 947,071 |
| Interest Cost at 5.00% | 1,644,372 | - | 1,644,372 |
| Difference between expected and actual experience | 1,537,766 | - | 1,537,766 |
| Employer contributions | - | 280,000 | (280,000) |
| Net investment income | - | 298,644 | (298,644) |
| Changes in assumptions | (2,135,112) | - | (2,135,112) |
| Benefit payments | | | |
| a. From Trust | - | - | - |
| b. Direct | (1,017,873) | - | (1,017,873) |
| Administrative expense | | | |
| a. From Trust | - | (94,390) | 94,390 |
| b. Direct | - | - | - |
| Net changes: | <u>976,224</u> | <u>484,254</u> | <u>491,970</u> |
| Balances at 6/30/2020 | <u><u>34,372,605</u></u> | <u><u>18,489,474</u></u> | <u><u>15,883,131</u></u> |

Sensitivity of the net OPEB liability to changes in the discount rate – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current discount rate:

| | 1.0% Decrease (4.0%) | Current Discount Rate (5.0%) | 1.0% Increase (6.0%) |
|--------------------|---------------------------------|---|---------------------------------|
| Net OPEB liability | \$ 21,050,915 | \$ 15,883,131 | \$ 12,472,769 |

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

| | 1.0% Decrease (4.5%) | Current Trend Rate (5.5%) | 1.0% Increase (6.5%) |
|--------------------|---------------------------------|--------------------------------------|---------------------------------|
| Net OPEB liability | \$ 12,269,516 | \$ 15,883,131 | \$ 21,295,096 |

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 \$342,243. At June 30, 2020, the Sheriff reported deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 1,294,381 | \$ 16,902,753 |
| Changes in assumptions | - | 1,779,260 |
| Net difference between projected and actual earnings on OPEB plan investments | 402,528 | - |
| Total | \$ 1,696,909 | \$ 18,682,013 |

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

| <u>Fiscal Years Ending June 30</u> | <u>Net Amount to be Recognized</u> |
|------------------------------------|--|
| 2021 | \$ (1,438,686) |
| 2022 | \$ (1,438,687) |
| 2023 | \$ (1,362,192) |
| 2024 | \$ (1,385,697) |
| 2025 | \$ (1,506,948) |
| Thereafter | \$ (9,852,894) |

Payable to the OPEB Plan

At June 30, 2020, the Sheriff reported a payable (Due to BREIF) of \$30,000 for the outstanding amount of contributions to the OPEB Plan required for the year ended June 30, 2020.

NOTE 7 – LONG-TERM LIABILITIES

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

| Governmental activities: | Beginning Balance | Additions | Reductions | Ending Balance | Due within one year |
|--|----------------------|----------------------|---------------------|----------------------|------------------------|
| Compensated absences | \$ 883,382 | \$ 1,344,290 | \$ 1,252,023 | 975,649 | \$ 975,649 |
| Net OPEB liability | 15,391,161 | 4,829,856 | 4,337,886 | 15,883,131 | - |
| Net pension liability | 12,692,115 | 6,448,270 | 2,999,619 | 16,140,766 | - |
| Governmental activity long-term liabilities | <u>\$ 28,966,658</u> | <u>\$ 12,622,416</u> | <u>\$ 8,589,528</u> | <u>\$ 32,999,546</u> | <u>\$ 975,649</u> |

NOTE 8 – DEPOSITS DUE TO OTHERS

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

| | Balance at July 1, 2019 | Additions | Reductions | Balance at June 30, 2020 |
|---------------------|----------------------------|----------------|----------------|-----------------------------|
| Tax collector fund | \$ 1,652,212 | \$ 121,994,984 | \$ 121,533,307 | \$ 2,113,889 |
| Civil fund | 1,027,021 | 7,385,754 | 7,708,270 | 704,505 |
| Criminal fund | 1,280,110 | 2,752,037 | 2,842,808 | 1,189,339 |
| Inmate fund | 94,715 | 2,060,915 | 2,066,495 | 89,135 |
| Evidence fund | 24,773 | 27,925 | 2,158 | 50,540 |
| Additional services | \$ 4,078,831 | \$ 134,221,615 | \$ 134,153,038 | \$ 4,147,408 |

NOTE 9 – AD VALOREM TAXES

The following is a summary of authorized and levied ad valorem taxes which represent separate millages authorized by the voters as of June 30, 2020:

| | Authorized Millage | Levied Millage | Expiration Date |
|--|-----------------------|-------------------|--------------------|
| Law enforcement district | 8.11 | 8.11 | None |
| Special operation and detention center | 6.25 | 6.25 | None |

In April 2000, voters of the parish approved a one-half of one percent sales and use tax submitted by the Bossier Parish Police Jury. Seventy percent (70%) of the avails of the tax are for the police jury and are used for the acquisition, operation, maintenance, and furnishing of a maximum security jail and courthouse facilities. Those taxes are remitted directly to the parish police jury. The remaining thirty percent (30%) of the avails of the tax, in accordance with an intergovernmental agreement dated April 5, 2000, are remitted directly to the sheriff's office to be used for the purposes of operating and improving a maximum security jail and meeting other costs of law enforcement in the parish. On January 17, 2005, voters of the parish approved a one-fourth of one percent sales and use tax to be used for paying deputy salaries and law enforcement operations. Both taxes are collected by the Bossier Parish Sales Tax Commission. For its collection, services the commission receives one percent (1%) of gross taxes collected.

As of June 30, 2020, the cash balance on hand in the tax collector account is \$2,113,889 which is included in the cash balance reflected in Note 2. The 2019 assessed taxes totaled \$119,349,779. This amount is net of homestead exemptions of \$23,047,177. During the fiscal year ended June 30, 2020, Sheriff's office, as Tax Collector for Bossier Parish, collected \$117,598,564 of 2019 assessed taxes. In addition, the Sheriff collected \$30,542 of prior year taxes in the fiscal year ended June 30, 2020.

The Sheriff has collected and uncollected taxes as of June 30, 2020, attributable to the following taxing authorities:

| <u>Tax Authority</u> | <u>Collected Taxes</u> | <u>Uncollected Taxes</u> |
|--|------------------------|--------------------------|
| Louisiana Department of Agriculture and Forestry | \$ 25,479 | 10 |
| Louisiana Tax Commission | 32,849 | - |
| Bossier Parish Assessor | 2,053,986 | 13,429 |
| Bossier Parish Police Jury | 17,074,140 | 118,166 |
| Bossier Parish School Board | 65,994,428 | 456,729 |
| Bossier Parish Sheriff | 14,499,388 | 100,346 |
| Bossier Port Commission | 2,524,448 | 17,472 |
| Ambulance | 934,920 | 13,752 |
| District Levee | 2,959,541 | 19,863 |
| Cypress Black Bayou | 1,183,854 | 8,221 |
| Red River Waterway Commission | 2,362,714 | 16,352 |
| Fire District No. 1 | 1,506,432 | 19,366 |
| Fire District No. 2 | 1,546,303 | 4,437 |
| Fire District No. 4 | 3,618,891 | 8,675 |
| Fire District No. 5 | 596,504 | 405 |
| Fire District No. 7 | 427,369 | 1,555 |
| | <u>\$ 117,341,246</u> | <u>\$ 798,778</u> |

These taxes are uncollected for these general reasons:

| | |
|---|-------------------|
| Taxes not paid - Bankruptcies | \$ 2,405 |
| Taxes not paid – Movables, mobile homes, RE bankruptcy discharged | 796,373 |
| | <u>\$ 798,778</u> |

NOTE 10 – STATE REVENUE SHARING FUNDS

The revenue sharing funds provided by Louisiana Act 945 were distributed as follows:

| | |
|-------------------------------|---------------------|
| Bossier Parish | |
| Assessor | \$ 269,647 |
| Police Jury | 561,404 |
| School Board | 633,543 |
| Sheriff | 508,149 |
| District Levee | 202,366 |
| Cyprus Black Bayou | 30,558 |
| Red River Waterway Commission | 182,865 |
| Fire District #2 | 124 |
| Bossier Port Commission | 22 |
| Pension funds | 45,470 |
| Total | <u>\$ 2,434,148</u> |

NOTE 11 – PROTEST TAXES

Louisiana Revised Statute 47:2110 provides that taxpayers, at the time of payment of all taxes due, may give notice to the Tax Collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of this notice, the amount paid is segregated and held by the Tax Collector for a period of 30 days. If suit is filed within the 30-day period for recovery of such amounts, the funds are held pending outcome of the suit. If the taxpayer prevails, the Tax Collector refunds the amount due, with interest at the actual rate earned on the money paid under protest from the date the funds were received by the Tax Collector. At June 30, 2020, the Sheriff, as Tax Collector, held protest taxes of \$1,996,461.

NOTE 12 – CONTINGENCIES, LITIGATIONS, AND CLAIMS

Litigation

At June 30, 2020, the Sheriff is named as defendant in several lawsuits. In the opinion of the Sheriff's legal counsel, no claims or suits exist for which there is insufficient insurance coverage and resolution of these matters will not have a material adverse effect on the financial condition of the Bossier Parish Sheriff.

Grants

The Sheriff participates in several federal and state assisted grant programs. These programs are subject to program compliance audits. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. The Sheriff believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Risk management

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omission. These risks are handled by the Sheriff through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy. No significant reductions in insurance coverage from coverage in the prior year occurred and no claims exceeded the Sheriff's insurance coverage for each of the past three years.

NOTE 13 – RISKS AND UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Bossier Parish Sheriff. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

Required Supplementary Information

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**General Fund Budgetary Comparison Schedule
Year ended June 30, 2020**

| | Budget (a) | | Actual (a) | Variance Favorable (Unfavorable) |
|---|----------------------|----------------------|----------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Ad valorem taxes | \$ 13,981,000 | \$ 14,498,627 | \$ 14,498,627 | \$ - |
| Sales taxes | 10,406,000 | 11,137,387 | 11,137,387 | - |
| Federal grants | 175,000 | 234,008 | 234,008 | - |
| State supplemental pay | 1,657,000 | 1,737,540 | 1,737,540 | - |
| State revenue sharing | 504,000 | 508,149 | 508,149 | - |
| Other state grants | 62,000 | 69,609 | 69,609 | - |
| Local grants | 20,000 | 18,586 | 18,586 | - |
| Commissions on licenses and taxes | 19,000 | 5,360 | 5,360 | - |
| Civil and criminal fees | 1,759,000 | 1,389,561 | 1,389,561 | - |
| Court attendance | 33,000 | 28,662 | 28,662 | - |
| Transporting prisoners | 159,000 | 239,890 | 239,890 | - |
| Feeding and keeping prisoners | 12,654,000 | 9,849,831 | 9,849,831 | - |
| Tax notices | 7,000 | 7,663 | 7,663 | - |
| Probation fees | 513,000 | 422,266 | 422,266 | - |
| Gaming fees | 1,120,000 | 1,016,159 | 1,016,159 | - |
| Use of money and property and other fees | 1,575,000 | 1,345,863 | 1,345,863 | - |
| Other revenue | 65,000 | 655,038 | 655,038 | - |
| Total revenue | 44,709,000 | 43,164,199 | 43,164,199 | - |
| Expenditures | | | | |
| Personnel services and related benefits | 32,596,000 | 31,190,954 | 31,190,954 | - |
| Operating services | 3,960,000 | 4,315,463 | 4,315,463 | - |
| Materials and supplies | 3,382,000 | 3,072,816 | 3,072,816 | - |
| Travel and other charges | 337,000 | 318,538 | 318,538 | - |
| Debt service | 30,000 | - | - | - |
| Capital outlay | 2,530,000 | 1,465,233 | 1,465,233 | - |
| Total expenditures | 42,835,000 | 40,363,004 | 40,363,004 | - |
| Excess of revenues over expenditures | 1,874,000 | 2,801,195 | 2,801,195 | - |
| Other financing sources and uses | | | | |
| Operating transfers out | (289,000) | (280,000) | (280,000) | - |
| Insurance proceeds | - | 495,877 | 495,877 | - |
| Proceeds from sale of fixed assets | 25,000 | 70,129 | 70,129 | - |
| Total other financing sources and uses | (264,000) | 286,006 | 286,006 | - |
| Net changes in fund balances | 1,610,000 | 3,087,201 | 3,087,201 | - |
| Fund balance at beginning of year | 17,497,628 | 26,117,672 | 26,117,672 | - |
| Fund balance at end of year | \$ 19,107,628 | \$ 29,204,873 | \$ 29,204,873 | \$ - |

(a) Note that a separate budget was adopted for the correctional facilities fund; however, since the correctional facilities fund is part of the General Fund, it is included in the budget and actual columns above.

See Independent Auditors' Report.

BOSSIER PARISH SHERIFF
Benton, Louisiana

Schedule of the Sheriff's Proportionate Share of the Net Pension Liability
June 30, 2020

| Fiscal Year* | Agency's proportion of the net pension liability (asset) | Agency's proportionate share of the net pension liability (asset) | Agency's covered-employee payroll | Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability |
|-----------------------------------|---|--|---|---|--|
| Sheriff's Pension and Relief Fund | | | | | |
| 2019 | 3.41226% | \$ 16,140,766 | \$ 23,849,911 | 67.7% | 88.9% |
| 2018 | 3.30985% | \$ 12,692,115 | \$ 22,787,122 | 55.7% | 90.4% |
| 2017 | 3.39854% | \$ 14,716,612 | \$ 23,826,167 | 61.8% | 88.5% |
| 2016 | 3.49429% | \$ 22,177,911 | \$ 23,826,167 | 93.1% | 82.1% |
| 2015 | 3.51206% | \$ 15,655,055 | \$ 23,295,032 | 67.2% | 86.6% |
| 2014 | 3.54822% | \$ 14,050,966 | \$ 22,697,031 | 61.9% | 87.3% |

*Amounts presented were determined as of the measurement date (prior fiscal year).

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

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Schedule of the Sheriff's Pension Contributions
June 30, 2020**

| <u>Fiscal Year*</u> | <u>(a) Statutorily Required Contribution</u> | <u>(b) Contributions in relation to the statutorily required contribution</u> | <u>(a-b) Contribution Deficiency (Excess)</u> | <u>Agency's covered-employee payroll</u> | <u>Contributions as a percentage of covered-employee payroll</u> |
|-----------------------------------|--|---|---|--|--|
| Sheriff's Pension and Relief Fund | | | | | |
| 2020 | \$ 2,999,619 | \$ 2,999,619 | \$ - | \$ 24,484,370 | 12.25% |
| 2019 | \$ 2,920,806 | \$ 2,920,806 | \$ - | \$ 23,849,911 | 12.25% |
| 2018 | \$ 2,905,358 | \$ 2,905,358 | \$ - | \$ 22,787,119 | 12.75% |
| 2017 | \$ 3,109,794 | \$ 3,109,794 | \$ - | \$ 23,470,143 | 13.25% |
| 2016 | \$ 3,276,098 | \$ 3,276,098 | \$ - | \$ 23,826,167 | 13.75% |
| 2015 | \$ 3,319,542 | \$ 3,319,542 | \$ - | \$ 23,295,032 | 14.25% |

*Amounts presented were determined as of the end of the fiscal year.

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

**Notes to Required Supplementary Information
June 30, 2020**

Changes of Benefit Terms

There were no changes in benefit terms in the actuarial valuation for the year ended June 30, 2019.

Changes of Assumptions

The discount rate was lowered from 7.25% to 7.10% in the actuarial valuation for the year ended June 30, 2019. During the year ended June 30, 2018, the discount rate was reduced from 7.4% to 7.25%.

See Independent Auditors' Report.

BOSSIER PARISH SHERIFF
Benton, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2020

| | 2018 | 2019 | 2020 |
|---|----------------------|----------------------|----------------------------------|
| Total OPEB Liability | | | |
| Service cost | \$ 1,267,869 | \$ 2,929,629 | \$ 947,071 |
| Interest | 2,292,773 | 2,412,591 | 1,644,372 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience | 16,428 | (19,719,879) | 1,537,766 |
| Changes of assumptions | - | - | (2,135,112) |
| Benefit payments | (1,405,885) | (955,548) | (1,017,873) |
| Net change in total OPEB liability | <u>2,171,185</u> | <u>(15,333,207)</u> | <u>976,224</u> |
| Total OPEB liability - beginning | 46,558,403 | 48,729,588 | 33,396,381 |
| Total OPEB liability - ending (a) | <u>\$ 48,729,588</u> | <u>\$ 33,396,381</u> | <u>\$ 34,372,605</u> |
| Plan Fiduciary Net Position | | | |
| Contributions - employer | \$ 312,350 | \$ 312,350 | \$ 280,000 |
| Contributions - member | - | - | - |
| Net investment income | 1,165,860 | 825,707 | 298,644 |
| Benefit payments | - | - | - |
| Administrative expense | (69,247) | (87,684) | (94,390) |
| Net change in plan fiduciary net position | <u>1,408,963</u> | <u>1,050,373</u> | <u>484,254</u> |
| Plan fiduciary net position - beginning | 15,545,884 | 16,954,847 | 18,005,220 |
| Plan fiduciary net position - ending (b) | <u>\$ 16,954,847</u> | <u>\$ 18,005,220</u> | <u>\$ 18,489,474</u> |
| Net OPEB liability - ending (a) - (b) | <u>\$ 31,774,741</u> | <u>\$ 15,391,161</u> | <u>\$ 15,883,131</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 34.79% | 53.91% | 53.79% |
| Covered-employee payroll | \$ 20,326,586 | \$ 21,821,620 | \$ 21,821,620 |
| Net OPEB liability as a percentage of covered-employee payroll | 156.32% | 70.53% | 72.79% |
| Notes to Schedule: | | | |
| <i>Benefit Changes:</i> | None | None | None |
| <i>Mortality:</i> | RP-2000 | RP-2000 | RP-2000 |
| <i>Trend:</i> | flat 5.5% | flat 5.5% | 5.5% for 10 years, 4% thereafter |
| <i>Discount Rate:</i> | 5.00% | 5.00% | 5.00% |

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

See Independent Auditors' Report.

BOSSIER PARISH SHERIFF
Benton, Louisiana

Schedule of Investment Returns for Other Post-Employment Benefits
June 30, 2020

| <u>Year</u> | <u>Annual money-weighted rate of return, net of investment expense</u> |
|-------------|--|
| 2020 | 1.13% |
| 2019 | 4.43% |
| 2018 | 7.03% |
| 2017 | 11.60% |
| 2016 | -0.63% |
| 2015 | 0.72% |
| 2014 | 10.64% |
| 2013 | 6.23% |
| 2012 | 0.75% |
| 2011 | 12.03% |

This schedule is intended to show information for 10 years.

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Schedule of Employer Contributions for Other Post-Employment Benefits
For the Year Ended June 30, 2020**

| | | |
|---|-----------|-------------------|
| Actuarially determined contribution | | \$ 1,948,288 |
| Contributions in relation to the actuarially determined contribution | | |
| Employer contributions to trust | 280,000 | |
| Employer-paid retiree premiums | 1,017,873 | |
| | | <u>1,297,873</u> |
| Contribution deficiency (excess) | | <u>\$ 650,415</u> |
| | | |
| Covered annual payroll | | \$ 21,821,620 |
| | | |
| Contributions as a percentage of covered employee payroll | | 5.95% |

Notes to Schedule:

Valuation date 7/1/2019

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 dollar, open |
| Amortization period | 30 years |
| Asset valuation method | Market value |
| Inflation | 2.5% annually |
| Healthcare trend | 5.5% annually for 10 years, 4.5% thereafter |
| Salary increases | 4.0% annually |
| Discount rate | 5.0% annually (beginning of year to determine ADC) 5.0% annually (as of end of year measurement date) |
| Retirement age | 3 years after the attainment of: 30 years of service; and, attainment of age 60 and 15 years of service. |
| Mortality | RP-2000 M/F without projection |
| Turnover | Age specific table with an average of 8% when applied to the active census |

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

See Independent Auditors' Report.

SUPPLEMENTARY INFORMATION
Fiduciary Fund Type – Agency Funds

Agency Funds are used to account for assets held as an agent for other governments.

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, licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

Civil Fund - The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments and payment of these collections to the sheriff's General Fund and other recipients in accordance with applicable laws.

Criminal Fund - The Criminal Fund accounts for the collection and settlement of fines, bonds, and forfeitures levied by the district court and settlement of these collections to the sheriff's General Fund and other recipients in accordance with applicable laws.

Inmate Fund - The Inmate Fund accounts for individual prisoner account balances. Funds are deposited in the name of the prisoner and are payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentences.

Evidence Fund – The Evidence Fund accounts for monetary evidence seized or obtained by the sheriff's office. When evidence management receives cash, it is deposited into the Evidence Fund and when it is approved by the detective for release, a form is completed, signed, and the funds are distributed to the appropriate parties.

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Fiduciary Funds - Agency Funds
Combining Schedule of Fiduciary Net Position
June 30, 2020**

| | <u>Tax Collector Fund</u> | <u>Civil Fund</u> | <u>Criminal Fund</u> | <u>Inmate Fund</u> | <u>Evidence Fund</u> | <u>Total</u> |
|---------------------------------|-------------------------------|-----------------------|--------------------------|------------------------|--------------------------|---------------------|
| Assets | | | | | | |
| Cash and cash equivalents | \$ 2,113,889 | \$ 704,505 | \$ 1,189,339 | \$ 89,135 | 50,540 | \$ 4,147,408 |
| Total assets | <u>\$ 2,113,889</u> | <u>\$ 704,505</u> | <u>\$ 1,189,339</u> | <u>\$ 89,135</u> | <u>\$ 50,540</u> | <u>\$ 4,147,408</u> |
| Liabilities | | | | | | |
| Due to taxing bodies and others | \$ 2,113,889 | \$ 704,505 | \$ 1,189,339 | \$ 89,135 | \$ 50,540 | \$ 4,147,408 |
| Total liabilities | <u>\$ 2,113,889</u> | <u>\$ 704,505</u> | <u>\$ 1,189,339</u> | <u>\$ 89,135</u> | <u>\$ 50,540</u> | <u>\$ 4,147,408</u> |

See Independent Auditors' Report.

BOSSIER PARISH SHERIFF
Benton, Louisiana

Fiduciary Funds - Agency Funds
Combining Statement of Changes in Assets and Liabilities
for the Year Ended June 30, 2020

| | Tax Collector Fund | Civil Fund | Criminal Fund | Inmate Fund | Evidence Fund | Total |
|---|-----------------------|------------------|------------------|------------------|------------------|--------------------|
| Balances, June 30, 2019 | \$ 1,652,212 | \$ 1,027,021 | \$ 1,280,110 | \$ 94,715 | \$ 24,773 | \$ 4,078,831 |
| Additions | | | | | | |
| Ad valorem taxes: | | | | | | |
| Current year | 117,598,564 | - | - | - | - | 117,598,564 |
| Current year protested | 757,184 | - | - | - | - | 757,184 |
| Prior year | 30,542 | - | - | - | - | 30,542 |
| State revenue sharing | 2,434,148 | - | - | - | - | 2,434,148 |
| Parish licenses | 10,268 | - | - | - | - | 10,268 |
| Interest on: | | | | | | |
| Checking accounts | 7,317 | 15 | - | - | - | 7,332 |
| Delinquent taxes | 101,867 | - | - | - | - | 101,867 |
| Prior year taxes | 6,673 | - | - | - | - | 6,673 |
| Protest taxes | 1,686 | - | - | - | - | 1,686 |
| Sheriff's sales | - | 6,911,149 | - | - | - | 6,911,149 |
| Bonds, fines and costs | 236,154 | - | 2,752,037 | - | - | 2,988,191 |
| Inmate deposits | - | - | - | 2,060,915 | - | 2,060,915 |
| Redemptions | 316,556 | - | - | - | - | 316,556 |
| Other additions | 494,025 | 474,590 | - | - | 27,925 | 996,540 |
| Total additions | <u>121,994,984</u> | <u>7,385,754</u> | <u>2,752,037</u> | <u>2,060,915</u> | <u>27,925</u> | <u>134,221,615</u> |
| Reductions | | | | | | |
| Louisiana Dept. of Agriculture & Forestry | 21,705 | - | - | - | - | 21,705 |
| Louisiana Tax Commission | 32,850 | - | - | - | - | 32,850 |
| Bossier Parish: | | | | | | |
| Assessor | 3,754,248 | - | - | - | - | 3,754,248 |
| Sheriff's General Fund | 14,884,272 | 994,851 | 411,949 | - | - | 16,291,072 |
| Police Jury | 15,722,273 | - | 892,588 | - | - | 16,614,861 |
| School Board | 64,550,756 | - | - | - | - | 64,550,756 |
| Clerk of Court | - | 138,177 | 230,113 | - | - | 368,290 |
| Red River Waterway Commission | 2,471,191 | - | - | - | - | 2,471,191 |
| Fire protection districts | 7,451,236 | - | - | - | - | 7,451,236 |
| District Levee | 3,069,821 | - | - | - | - | 3,069,821 |
| Cypress Black Bayou Recreation and Water Conservation District | 1,177,414 | - | - | - | - | 1,177,414 |
| Ambulance District | 920,764 | - | - | - | - | 920,764 |
| Caddo/Bossier Port Commission | 2,444,991 | - | - | - | - | 2,444,991 |
| Twenty-sixth Judicial District: | | | | | | |
| District Attorney | - | - | 254,283 | - | - | 254,283 |
| Judge's fund | - | - | 51,870 | - | - | 51,870 |
| Indigent defender board | - | - | 324,896 | - | - | 324,896 |
| Pension funds | 3,372,290 | - | - | - | - | 3,372,290 |
| Archon Information Systems fees | 528,293 | - | - | - | - | 528,293 |
| Refunds and redemptions | 1,123,578 | 463,125 | - | - | - | 1,586,703 |
| North Louisiana Crime Lab | - | - | 243,024 | - | - | 243,024 |
| Attorneys and litigants | - | 5,971,908 | - | - | - | 5,971,908 |
| Louisiana Commission on Law Enforcement | - | - | 10,166 | - | - | 10,166 |
| Louisiana Traumatic Head and Spinal Cord Injury | - | - | - | - | - | - |
| Other reductions | 7,625 | 140,209 | 423,919 | 2,066,495 | 2,158 | 2,640,406 |
| Total reductions | <u>121,533,307</u> | <u>7,708,270</u> | <u>2,842,808</u> | <u>2,066,495</u> | <u>2,158</u> | <u>134,153,038</u> |
| Balances, June 30, 2020 | \$ 2,113,889 | \$ 704,505 | \$ 1,189,339 | \$ 89,135 | \$ 50,540 | \$ 4,147,408 |

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Schedule of Expenditures of Federal Awards
for the Year Ended
June 30, 2020**

| Federal Grantor/Pass Through Grantor Program/Program Title | CFDA Number | Expenditures | Amounts Passed Through to Subrecipients |
|---|----------------|-------------------|--|
| Pass Through Programs: | | | |
| US Department of Justice | | | |
| Direct Program: | | | |
| Equitable Sharing Program | 16.922 | \$ 1,385 | \$ - |
| Passed through Louisiana Commission on Law Enforcement | | | |
| Crime Victim Assistance | 16.575 | 48,339 | - |
| Violence Against Women Formula Grants | 16.588 | 36,680 | - |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 28,069 | - |
| Total Passed through Louisiana Commission on Law Enforcement | | <u>113,088</u> | - |
| Total US Department of Justice | | <u>114,473</u> | - |
| US Department of Homeland Security | | | |
| Passed through Department of Homeland Security (DHS), GOHSEP | | | |
| Passed through Governor's Office Homeland Security and Emergency Preparedness (GOHSEP) | | | |
| Disaster Grants-Public Assistance | 97.036 | 71,778 | - |
| Passed through Louisiana Office of Homeland Security and Emergency Preparedness | | | |
| Passed through Bossier Office of Homeland Security | | | |
| Disaster Grants-Public Assistance | 97.067 | 32,470 | - |
| Total US Department of Homeland Security | | <u>104,248</u> | - |
| US Department of Transportation National Hwy Traffic Safety Administration (NHTSA) | | | |
| Passed through Louisiana Highway Safety Commission | | | |
| National Priority Safety Programs | 20.616 | 5,606 | - |
| Total US Dept of Transportation National Hwy Traffic Safety Administration | | <u>5,606</u> | - |
| Direct Programs: | | | |
| Executive Office of President | | | |
| High Intensity Drug Trafficking Area (HIDTA) | 95.001 | 9,681 | - |
| Total Executive Office of President | | <u>9,681</u> | - |
| Total Expenditures of Federal Awards | | <u>\$ 234,008</u> | <u>\$ -</u> |

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Schedule of Compensation, Benefits,
and Other Payments to Agency Head
for the Year Ended June 30, 2020**

Agency Head Name: Julian Whittington, Sheriff of Bossier Parish

| Purpose | Amount |
|--|---------------|
| Salary | \$ 165,463 |
| Benefits-insurance | \$ 15,556 |
| Benefits-retirement | \$ 43,918 |
| Deferred compensation | \$ 11,583 |
| Cell phone/data | \$ 1,190 |
| Travel (hotel, registration, and per diem) | \$ 7,171 |

See Independent Auditors' Report.

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

State of Louisiana, Parish of Bossier

AFFIDAVIT

Julian Whittington, Sheriff of Bossier Parish

BEFORE ME, the undersigned authority, personally came and appeared, Julian Whittington, the Sheriff of Bossier Parish, State of Louisiana, who after being duly sworn, deposed and said:

The Following information is true and correct:

The amount of cash on hand in the tax collector account on June 30, 2020, is \$2,113,889.

He further deposed and said:

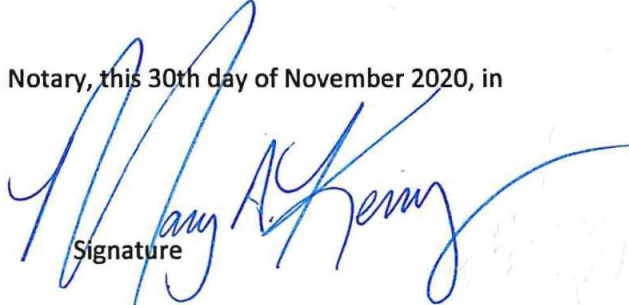
All itemized statements of the amount of taxes collected for the tax year 2019, by taxing authority, are true and correct.

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.



Julian Whittington, Sheriff
Sheriff & Ex-Officio Tax Collector of Bossier Parish

SWORN to and subscribed before me, Notary, this 30th day of November 2020, in my office in Shreveport, Louisiana.



Signature

Mary Kerry, Notary Public #62368
Bossier Parish, Louisiana

MARY A. KERRY, NOTARY PUBLIC
NOTARY ID # 62368
BOSSIER PARISH, LOUISIANA
MY COMMISSION IS FOR LIFE

Commission is for Life



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**INDEPENDENT AUDITORS' 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 Julian C. Whittington
Bossier Parish Sheriff
Benton, 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 and each major fund and the aggregate remaining fund information of the Bossier Parish Sheriff as of and for the year ended June 30, 2020, and related notes to financial statements, which collectively comprise the Bossier Parish Sheriff's basic financial statements, and have issued our report thereon dated November 30, 2020.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bossier Parish 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
November 30, 2020

**BOSSIER PARISH SHERIFF
Benton, Louisiana**

**Schedule of Findings and Questioned Costs
June 30, 2020**

Section I - Summary of Auditors' Results

A. Financial Statement Audit

Type of auditors' report issued on the basic financial statements: **Unmodified**

Internal control over financial reporting:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **None noted**

Noncompliance material to the basic financial statements noted? **No**

Was a management letter issued? **No**

B. Federal Awards

At June 30, 2020, the Bossier Parish Sheriff did not meet the requirements to have a single audit in accordance with the Uniform Guidance; therefore, this section is not applicable.

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Current Year Findings and Responses

None

Prior Year Findings and Responses

None