

SABINE PARISH SHERIFF
Many, Louisiana

Financial Statements
For Year Ended June 30, 2021

SABINE PARISH SHERIFF
Many, Louisiana
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June 30, 2021

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Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFE
122 Jefferson Street
Mansfield, LA 71052
www.deesgardnercpas.com

Maura Dees Gardner, CPA, CFE
1659 Hwy 171 / P.O. Box 328
Stonewall, LA 71078
Phone: (318) 872-3007

Independent Auditor's Report

Honorable Aaron Mitchell
Sabine Parish Sheriff
Many, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the general fund and aggregate remaining fund information of the Sabine Parish Sheriff as of and for the year ended June 30, 2021, and the related notes to the 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.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, the general fund and the aggregate remaining fund information of the Sabine Parish Sheriff as of June 30, 2021, 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 Supplemental Information Part I

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, listed as required supplemental information part I, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and 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 management's discussion and analysis 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.

Required Supplemental Information Part II and Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sabine Parish Sheriff's basic financial statements. The required supplemental information—part II, as listed in the table of contents, and the other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The required supplemental information—part II and the other supplemental information, as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplemental—part II and the other supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance), we have also issued our report dated April 5, 2022, on our consideration of the Sabine 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 and compliance for each major program and on internal control over compliance. The purpose of these reports is to describe the scope of our testing of internal control over financial reporting, compliance, the results of that testing, and not to provide an opinion on the internal control over financial reporting, compliance, compliance for each major program, or internal control over compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and the Uniform Guidance in considering Sabine Parish Sheriff's internal control over financial reporting, compliance, and compliance for each major program and on internal control over compliance.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana
April 5, 2022

REQUIRED SUPPLEMENTAL INFORMATION (PART I)
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

**Sabine Parish Sheriff
Many, Louisiana
FYE June 30, 2021**

Management's Discussion and Analysis (Unaudited)

Within this section of the Sabine Parish Sheriff's (the Sheriff) annual financial report, the Sheriff's management is pleased to provide this narrative overview and analysis of the financial activities of the Sheriff as of and for the fiscal year ended June 30, 2021. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with the Sheriff's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

- The Sheriff's total net position increased \$160,824 (3.54%) during the fiscal year reported compared to an increase of \$1,497,239 (49.11%) at June 30, 2020. At June 30, 2021, the assets of the Sheriff exceeded its liabilities by \$4,707,032 compared to the prior year's ending net position of \$4,546,208.
- The net pension liability reported as a long-term liability increased \$1,016,232 (45.45%) to \$3,252,367 for year end June 30, 2021 in the Statement of Net Position.
- The other postemployment benefit obligations (OPEB) reported as a long-term liability increased \$593,814 (7.91%) to \$8,103,891 for year end June 30, 2021 in the Statement of Net Position.
- Property tax revenue increased \$429,320 (15.83%) to \$3,141,424 during this fiscal year.
- Sales tax revenue decreased \$345,222 (8.50%) to \$3,715,468 during the fiscal year.
- The Sheriff's total general and program revenues were \$9,863,908 during the year ended June 30, 2021, compared to \$9,866,343 year ended June 30, 2020.
- During the year ended June 30, 2021, the Sheriff's total expenses, excluding depreciation, was \$9,291,704, compared to \$8,014,079 during year ended June 30, 2020. Depreciation expense was \$411,380 in 2021; and \$355,025 in 2020.
- The Sheriff's capital assets had a net increase of \$426,782 for the year ended June 30, 2021, and a net increase of \$147,802 for year ended June 30, 2020.

The 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 document introduces the Sheriff's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements include two kinds of financial statements that present different views of the Sheriff -- Fund Financial Statements and Government-Wide Financial Statements. The Notes to the Financial Statements explain some of the information in the financial statements and provide additional detail. This report also contains additional required supplementary information (budgetary schedule) and other supplementary information in addition to the basic financial statements. These components are described below:

Governmental 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.

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

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 governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented in the first three columns of the basic financial statements in this report.

The Sheriff maintains five governmental funds: the General Fund and four special revenue funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund which is classified as a major fund. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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 that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds. These statements report all revenues and expenses connected with the year--even if cash has not been received or paid--and includes all assets of the Sheriff as well as liabilities (long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB 34 in regard to interfund activity, payables, and receivables. The government-wide

financial statements include two statements. The following two statements report the Sheriff's *net position* and changes in them. The Sheriff's net position--the difference between assets and liabilities--can be thought of as one way to measure the Sheriff's financial health, or *financial position*.

- **Statement of Net Position.** This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would also extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.
- **Statement of Activities.** This reports how the Sheriff's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of 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 in the last column of these reports.

Fiduciary Fund Type Financial Statements

The Fiduciary fund financial statements report taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The Sheriff only reports custodial funds. The statement of fiduciary assets and liabilities – custodial funds and statement of changes in fiduciary net position – custodial funds are presented as basic financial statements in this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Required Supplemental Information

The basic financial statements and accompanying notes are followed by a section of required supplementary information concerning the Sheriff's budget presentations and retiree health benefits. Budgetary comparison statements are included for the general fund as "required supplementary information." This statement is a schedule demonstrating compliance with the Sheriff's adopted and final revised budget.

Other Supplemental Information

Following the required supplementary information is supplementary information including a combining balance sheet for other governmental funds, and a combining statement of revenues, expenditures and changes in fund balances for other governmental funds. A report for the

Sheriff as ex officio tax collector is presented as required by the Louisiana Legislative Auditor. The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3). The justice system funding schedule – collecting/disbursing entity and the justice system funding schedule – receiving entity are presented to fulfil the requirements of Louisiana Revised Statute 24:515.2.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

The following table provides a summary of the Sheriff's net position:

	SUMMARY OF STATEMENTS OF NET POSITION			
	June 30, 2021		June 30, 2020	
	Governmental Activities	% of Total	Governmental Activities	% of Total
ASSETS				
Cash and interest-bearing deposits	\$ 6,134,196	44.42%	\$ 7,596,953	56.69%
Investments	4,605,783	33.35%	2,482,431	18.53%
Receivables	609,213	4.41%	1,270,050	9.48%
Prepaid items	6,516	0.05%	22,400	0.17%
Capital assets, net	2,455,343	17.78%	2,028,561	15.14%
TOTAL ASSETS	13,811,051	100.00%	13,400,395	100.00%
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related	1,415,926	40.45%	1,174,473	48.82%
Pension related	2,084,680	59.55%	1,231,324	51.18%
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,500,606	100.00%	2,405,797	100.00%
LIABILITIES				
Current liabilities:				
Accounts and other accrued payables	577,290	4.82%	439,311	4.17%
Long-term liabilities:				
Compensated absences	32,841	0.27%	29,348	0.28%
Long-term debt	-	0.00%	318,942	3.03%
Other postemployment benefit obligations	8,103,891	67.72%	7,510,077	71.29%
Net pension liabilities	3,252,367	27.18%	2,236,135	21.23%
TOTAL LIABILITIES	11,966,389	100.00%	10,533,813	100.00%
DEFERRED INFLOWS OF RESOURCES				
OPEB related	208,496	32.67%	238,281	32.81%
Pension related	429,740	67.33%	487,890	67.19%
TOTAL DEFERRED INFLOWS OF RESOURCES	638,236	100.00%	726,171	100.00%
NET POSITION				
Net investment in capital assets	2,455,343	52.16%	1,709,619	37.61%
Restricted for other uses	62,941	1.34%	38,251	0.84%
Unrestricted	2,188,748	46.50%	2,798,338	61.55%
TOTAL NET POSITION	\$ 4,707,032	100.00%	\$ 4,546,208	100.00%

As noted earlier, net position may serve over time as a useful indicator of the Sheriff's financial position. The Sheriff's net position total is \$4,707,032 at June 30, 2021.

A portion of the Sheriff's net position \$2,455,343 (52.16%) reflects its investment in capital assets such as buildings, safety equipment, vehicles, and computer hardware and software. The Sheriff uses these capital assets to provide services to the citizens of the parish; consequently, these assets are not available for future spending. There is no outstanding debt related to these assets. At June 30, 2021, \$2,188,748 is unrestricted and may be used to meet the Sheriff's ongoing obligations to citizens and creditors at the discretion of the Sheriff. The unrestricted net position consists primarily of cash, demand and time deposits, and investments.

Changes in Net Position

Comparative data for government-wide information is presented as it accumulates and is presented to assist analysis in future years. The following table provides a summary of the Sheriff's changes in net position:

SUMMARY OF STATEMENTS OF ACTIVITIES					
		June 30, 2021		June 30, 2020	
		Governmental Activities	% of Total	Governmental Activities	% of Total
REVENUES:					
Program:					
Prisoner reimbursement fees	\$	738,025	7.48%	\$ 796,943	8.08%
Contractual fees		992,652	10.06%	846,131	8.58%
Operating and capital grants		1,209,495	12.26%	990,250	10.04%
General:					
Property taxes		3,141,424	31.85%	2,712,104	27.49%
Sales tax		3,715,468	37.67%	4,060,690	41.16%
State revenue sharing		66,602	0.68%	66,594	0.67%
Miscellaneous		38,766	0.39%	218,585	2.22%
Investment earnings		(38,524)	-0.39%	175,046	1.77%
TOTAL REVENUES		<u>9,863,908</u>	<u>100%</u>	<u>9,866,343</u>	<u>100%</u>
PROGRAM EXPENSES:					
Public safety		(9,703,084)		(8,369,104)	
TOTAL EXPENSES		<u>(9,703,084)</u>		<u>(8,369,104)</u>	
CHANGE IN NET POSITION		160,824		1,497,239	
BEGINNING NET POSITION		4,546,208		3,048,969	
ENDING NET POSITION	\$	<u>4,707,032</u>		<u>\$ 4,546,208</u>	

Revenues

The Sheriff is heavily reliant on sales and property taxes to support operations. Sales tax revenue provided \$3,715,468 (37.67%) of revenue during the current fiscal year. This was a decrease of \$345,222 (8.50%) over the year ended June 30, 2020. Property taxes of \$3,141,424 provided 31.85% of the Sheriff's total revenues in the current fiscal year compared to \$2,712,104 or 27.49% for the year ended June 30, 2020. \$6,923,736 (70.19%) of total revenue was derived from general revenues including property and sales tax, state revenue sharing, interest, and miscellaneous. This compares to general revenues of \$7,233,019 (73.31%) for the year ended June 30, 2020.

Note that program revenues covered 30.30% of the government's operating expenses for year end June 30, 2021, compared to 31.46% for the year ended June 30, 2020. This means that the government's taxpayers and the Sheriff's other general revenues funded 69.70% of its operations during the year ended June 30, 2021; and 68.54% for year ended June 30, 2020.

Functional Expenses

The total function of the Sheriff's office is public safety-law enforcement activities. Of the total costs, depreciation on the buildings, office equipment and vehicles was \$411,380 or 4.24% of total expenses.

FINANCIAL ANALYSIS OF THE INDIVIDUAL FUNDS

General Fund--Major Governmental Fund

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's 2021 fund balance decreased by \$154,405. Overall, revenues from all sources decreased \$117,847 (1.18%) for the year. Expenditures reflect an decrease of \$1,814,310 over last year, or about 22.11%.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Sheriff complies with state law, as amended, and as set forth in the Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA--R.S. 39:1301 seq.). The Sheriff did amend the original budget during the year.

Actual revenues available for expenditure were \$14,293 more than originally budgeted. Actual expenditures were \$284,043 (2.92%) more than the final budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Sheriff's investment in capital assets, as of June 30, 2021, was \$6,812,783, net of accumulated depreciation of \$4,357,440, leaving a book value of \$2,455,343. This investment in capital assets consists of, vehicles, furniture, fixtures and equipment, and buildings and improvements. The total net increase in the Sheriff's investment in capital assets for the current year was \$426,782 (21.04%).

Additions to capital assets during year end June 30, 2021, included a new administration building for \$350,797; new detention center fencing for \$56,000; new detention center roofing \$35,000; 2 portable buildings totaling \$10,584; miscellaneous building improvements totaling \$29,064; Communications systems upgrades totaling \$24,363; Computers and tablets totaling \$23,764; Dash cams, monitoring systems and radar guns totaling \$24,150; detention center surveillance system \$33,539; Tractor, mower and tractor attachments totaling \$41,295; and 7 vehicles totaling \$209,604. Depreciation charges for the year totaled \$411,380 compared to \$355,025 for 2020.

At June 30, 2021, the depreciable capital assets for governmental activities were 65.02% depreciated versus 67.30% in the prior year. This comparison indicates that the Sheriff has some aging assets and may have higher capital outlay costs in the future.

Debt

At year end, the Sheriff's long-term debt is due to employees for uncompensated earned absences and for accrued health care and life insurance benefits and pension benefits for retirees.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The annual budget is developed to provide efficient, effective, and economic uses of the Sheriff's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Sheriff sets the direction of the department, allocates its resources, and establishes its priorities. Due to the COVID-19 pandemic, the United States has experienced volatile economic conditions and disruption of general business activities. The Sheriff has experienced impacts from the pandemic resulting in increased costs for vehicles and equipment. The following economic factors were considered when the budget for the fiscal year end June 30, 2022, was prepared.

- Sales tax and property revenues are conservatively expected to remain constant over the prior year.
- The Sheriff plans to continue to update the vehicles in the department as well as update equipment but at an increased cost.
- Other revenues and expenditures are expected to be consistent with the prior year.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff's finances, compliance with governmental financial reporting laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Aaron Mitchell, Sheriff, P.O. Box 1440, Many, LA 71449.

BASIC FINANCIAL STATEMENTS

SABINE PARISH SHERIFF
Many, Louisiana

GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION

June 30, 2021

	Governmental Funds			Government-wide
	Financial Statements			Statements
	Balance Sheet			Statement of
	General			Net Position
	Fund	Adjustments		
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,134,196	\$ -		\$ 6,134,196
Investments	4,605,783	-		4,605,783
Accounts receivables, net	609,213	-		609,213
Prepaid expenses	6,516	-		6,516
Noncurrent assets:				
Capital assets, net of accumulated depreciation	-	2,455,343		2,455,343
TOTAL ASSETS	\$ 11,355,708	2,455,343		13,811,051
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related		1,415,926		1,415,926
Pension related		2,084,680		2,084,680
TOTAL DEFERRED OUTFLOWS OF RESOURCES		3,500,606		3,500,606
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 577,290	-		577,290
Noncurrent liabilities:				
Compensated absences	-	32,841		32,841
Other postemployment benefit obligations	-	8,103,891		8,103,891
Net pension liability	-	3,252,367		3,252,367
TOTAL LIABILITIES	577,290	11,389,099		11,966,389
DEFERRED INFLOWS OF RESOURCES				
OPEB related		208,496		208,496
Pension related		429,740		429,740
TOTAL DEFERRED INFLOWS OF RESOURCES		638,236		638,236
FUND BALANCE/NET POSITION				
Fund Balances:				
Nonspendable:				
Prepaid expenses	6,516	(6,516)		-
Restricted:				
Inmate trust accounts	62,941	(62,941)		-
Unassigned	10,708,961	(10,708,961)		-
TOTAL FUND BALANCES	10,778,418	(10,778,418)		-
TOTAL LIABILITIES AND FUND BALANCE	\$ 11,355,708	-		-
Net Position:				
Net investment in capital assets		2,455,343		2,455,343
Restricted		62,941		62,941
Unrestricted		2,188,748		2,188,748
TOTAL NET POSITION		\$ -		\$ 4,707,032

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
GOVERNMENT-WIDE STATEMENT OF NET POSITION**

June 30, 2021

Total Fund Balance, Governmental Funds	\$	10,778,418
<p>Certain deferred outflows are reported in the Statement of Net Position but not in the governmental funds.</p>		
Deferred outflows-pension related		2,084,680
Deferred outflows - OPEB		1,415,926
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in fund financial statement, but are reported in the governmental activities of the Statement of Net Position.</p>		
Cost of capital assets	\$ 6,812,783	
Less accumulated depreciation	(4,357,440)	2,455,343
<p>Long-term liabilities are not due and payable in the current period and are not included in the fund financial statements but are included in the governmental activities of the Statement of Net Position.</p>		
Compensated absences		(32,841)
Other post employment benefit obligation		(8,103,891)
Net pension liability		(3,252,367)
Deferred inflows-pension related		(429,740)
Deferred inflows-OPEB related		(208,496)
Net Position of Governmental Activities in the Statement of Net Position	\$	<u>4,707,032</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES /
STATEMENT OF ACTIVITIES
For the year ended June 30, 2021

	Governmental Fund Financial Statements		Government-wide Statements
	<u>Balance Sheet</u>		<u>Governmental Activities</u>
	General Fund	Adjustments	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES			
Current:			
Public Safety:			
Personal services & related benefits	\$ 6,202,875	\$ 430,495	\$ 6,633,370
Operating expenses	1,258,274	-	1,258,274
Material & supplies	1,277,881	-	1,277,881
Travel & other charges	115,123	-	115,123
Debt Service:			
Principal	318,942	(318,942)	-
Interest	7,056	-	7,056
Capital outlays	838,162	(838,162)	-
Depreciation	-	411,380	411,380
TOTAL EXPENDITURES/EXPENSES	<u>10,018,313</u>	<u>(315,229)</u>	<u>9,703,084</u>
PROGRAM REVENUES			
Prisoner reimbursement fees	738,025	-	738,025
Contractual fees	992,652	-	992,652
Operating grants and contributions	1,209,495	-	1,209,495
TOTAL PROGRAM REVENUES	<u>2,940,172</u>	<u>-</u>	<u>2,940,172</u>
NET PROGRAM EXPENSE	(7,078,141)	315,229	(6,762,912)
GENERAL REVENUES			
Property taxes	3,141,424	-	3,141,424
Sales taxes	3,715,468	-	3,715,468
State revenue sharing	66,602	-	66,602
Miscellaneous income	38,766	-	38,766
Investment earnings	(38,524)	-	(38,524)
TOTAL GENERAL REVENUES	<u>6,923,736</u>	<u>-</u>	<u>6,923,736</u>
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES/ CHANGES IN NET POSITION	(154,405)	315,229	160,824
FUND BALANCE / NET POSITION			
Beginning of the year	9,920,310		4,546,208
Residual equity transfer from Detention Center	1,012,513		-
End of the year	<u>\$ 10,778,418</u>		<u>\$ 4,707,032</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

For the year ended June 30, 2021

Fund Financial statements excess of revenues over expenditures	\$	(154,405)
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Governmental funds report capital outlays as expenditures because such outlays use current financial resources. However, for governmental activities those capital outlays are reported in the Statement of Net Position and are allocated over their useful lives in the Statement of Activities.

Capital outlays	\$ 838,162	
Depreciation expense	<u>(411,380)</u>	426,782

Long term debt (notes payable)

Principal payments on long-term debt		318,942
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In the Statement of Activities, certain operating expenses, are measured by the the amounts accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amounts actually paid.

Pension (expense) benefit	\$ (314,901)	
Non-employer contributions to cost-sharing pension plan	210,175	
Accrued compensated absences	(3,493)	
Accrued other post employment benefit obligations	<u>(322,276)</u>	<u>(430,495)</u>

Government-wide change in net position	\$	<u><u>160,824</u></u>
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The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
Custodial Funds
June 30, 2021

	Sheriff's Fund	Tax Collector	Total
ASSETS			
Cash	\$ 231,651	\$ 56,660	\$ 288,311
Total Assets	\$ 231,651	\$ 56,660	\$ 288,311
Net Position			
Fiduciary net position - held for others	\$ 231,651	\$ 56,660	\$ 288,311

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Custodial Funds

For the year ended June 30, 2021

Additions:	Sheriff's Fund	Tax Collector	Total
Taxes, fees, etc., received:			
Sheriff's sales	\$ 51,275	\$ -	\$ 51,275
Fines, forfeitures, and costs	280,130	-	280,130
Garnishments	134,505	-	134,505
Seizures, bonds, etc	249,139	-	249,139
Ad Valorem			
Current year	-	20,017,584	20,017,584
Prior year	-	47	47
State revenue sharing	-	484,551	484,551
Insurance Premium Rebate	-	166,254	166,254
Interest	922	31,472	32,394
Cost of tax notices, etc.	-	145,097	145,097
Redemptions	-	25,952	25,952
Other additions	1,126	11,186	12,312
Total additions	<u>717,097</u>	<u>20,882,143</u>	<u>21,599,240</u>
Deductions:			
Settlement payments to:			
Louisiana Dept of Forestry	794	34,768	35,562
Louisiana Tax Commission	-	10,539	10,539
Northwest Crime Lab	35,322	-	35,322
Ware Juvenile Detention Center	5,889	-	5,889
Louisiana Rehabilitation	2,200	-	2,200
Louisiana Commission on Law Enforcement	4,477	-	4,477
Louisiana State Police	150	-	150
Sabine Parish:			
Sheriff's General Fund	73,682	3,339,548	3,413,230
Clerk of Court	40,261	-	40,261
Police Jury	-	4,603,352	4,603,352
School Board	-	7,543,766	7,543,766
Assessor	-	1,362,275	1,362,275
Library	-	1,240,110	1,240,110
Municipalities	1,538	-	1,538
Crime Stoppers	1,528	-	1,528
District Attorney	53,960	-	53,960
Judicial Expense Fund	51,418	-	51,418
Criminal Court Fund	110,421	-	110,421
Indigent Defender Fund	57,480	-	57,480
Fire Protection District No. 1	-	644,664	644,664
Fire Protection District No. 2	-	404,694	404,694
Fire Protection District No. 3	-	1,391,954	1,391,954
Litigants, attorneys	119,905	-	119,905
State Pension Funds	-	586,636	586,636
Other Settlements	20,374	386,198	406,572
Refunds	18,986	93,039	112,025
Other reductions	82,743	61,302	144,045
Total reductions	<u>681,128</u>	<u>21,702,845</u>	<u>22,383,973</u>
Net increase (decrease) in fiduciary net positior	<u>35,969</u>	<u>(820,702)</u>	<u>(784,733)</u>
Net position, beginning	195,682	877,362	1,073,044
Net position, ending	<u>\$ 231,651</u>	<u>\$ 56,660</u>	<u>\$ 288,311</u>

The notes to the financial statements are an integral part of this statement. See the accompanying independent auditor's report.

NOTES TO FINANCIAL STATEMENTS

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

INTRODUCTION

As provided by Article V. Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term, as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff also 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 ex-officio tax collector of the parish, the Sheriff is responsible for the collection and distribution of ad valorem property taxes, state revenue sharing funds, and fines, court costs, and bond forfeitures imposed by the district court.

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, and other programs, et cetera. Additionally, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the Sabine Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). 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. The Basic Financial Statements consist of Government-wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide more detailed level of financial information.

The significant accounting and reporting policies and practices used by the Sabine Parish Sheriff are described below.

B. Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. Considering the foregoing criteria, the Sabine Sheriff is deemed to be a separate reporting entity. The accompanying financial statements present information only on the funds maintained by the Sabine Parish Sheriff. There are no component units to be included in the Sheriff's reporting entity.

For financial reporting purposes, the Sheriff's basic financial statements include all funds and activities that are controlled by the Sheriff as an independently elected parish official. The Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is a primary government for reporting purposes.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting

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 functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

An Enterprise Fund has been used in the past to report the operations of the Detention Center. During the year it was determined that the pricing policies of the activity were not designed to establish fees and charges that recover the costs of operating the Detection Center and did not meet the debt or laws and regulations criteria necessary to be reported as an enterprise fund. The detention center activity is now reported in the general fund.

D. Basis of Accounting/Measurement Focus

Governmental Fund Financial Statements

The columns labeled Governmental Funds Financial Statements for the General Fund in Statements A and B are accounted for 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 Sheriff operations.

The amounts reflected in the General Fund of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally received within 60 days after year-end) are recognized when due. 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 compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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 10 percent of the corresponding total for all governmental funds. Nonmajor funds are aggregated and presented in a single column.

The Sheriff reports the following governmental funds:

General Fund. The general fund, as provided by Louisiana Revised Statute 33:1422 is the principal fund and is used to account for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax and sales tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, and various other reimbursements, fees, grants, and commissions. General operating expenditures are paid from this fund.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting/Measurement Focus (continued)

The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Fines, forfeitures, fees and court costs are recognized in the period they are released for distribution by the Courts.

Federal and state entitlements are recorded as unrestricted grants-in-aid when available and measurable. Revenue from federal and state grants is recognized when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted; matching requirements in which the Sheriff must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the Sheriff on a reimbursement basis.

Interest earnings on deposits are recorded when earned.

Those revenues susceptible to accrual are sales taxes, property taxes, grants, contracts, interest revenue and charges for services. Substantially all other revenues, including fines, forfeitures, and commissions, are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures

Salaries and related benefits are recorded when employee services are provided. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized as expenditures when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sales of assets and compensation for loss of assets are accounted for as other financing sources (uses). These other sources (uses) are recognized at the time the underlying events occur.

Fiduciary Fund Financial Statements

During the year the Sheriff implemented GASB Statement 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the Sheriff controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. The Sheriff recognizes the custodial funds and reports all fiduciary fund financial statements as a basic financial statement.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting/Measurement Focus (continued)

Fiduciary fund financial statements include a Statement of Fiduciary Net Position – Custodial Funds and a Statement of Changes in Fiduciary Net Position – Custodial Funds. The only funds accounted for in this category by the Sheriff are custodial funds. The custodial funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections), individuals, and for deposits held pending court action. These funds do not involve measurement of results of operations. Consequently, the custodial funds have no measurement focus, but use the accrual basis of accounting. Data from the fiduciary funds is not incorporated in the government-wide financial statements.

Government-Wide Financial Statements

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Program revenues include fees and charges paid by the recipients of services offered by the Sheriff, and grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

E. Cash, Interest-Bearing Deposits and Investments

Cash includes cash on hand, amounts in demand deposits, interest-bearing demand deposits, money market accounts, time deposits (certificates of deposit), and short-term, highly liquid investment with original maturities of ninety (90) days or less when purchased. Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local Louisiana governments are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit 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.

F. Accounts Receivable

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables for the governmental activities include ad valorem taxes, sales tax, fees for services, and other intergovernmental revenues. All receivables are current and therefore due within one year. Allowances are reported when accounts are proven to be uncollectible.

G. Prepaid expenses

Payments made to vendors for services or supplies that will benefit periods beyond June 30, 2021, are recorded as prepaid expenses.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Capital Assets

Capital assets which include property, plant, and equipment are reported in the government-wide financial statements. All capital assets, other than land are depreciated using the straight-line method over their estimated useful lives, ranging from three to forty years depending upon the expected durability of the particular asset. Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities. Capital assets are recorded in the statement of net position.

All purchased and constructed capital assets are valued at historical cost or estimated cost if historical cost is not available. Donated capital assets are valued at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets for reporting purposes. Salvage value is taken into consideration for depreciation purposes for vehicles.

Assets reported in the fund financial statements for governmental funds exclude capital assets. The governmental funds financial statements report the acquisition of capital assets as expenditures.

I. Compensated Absences

The Sheriff has the following policy relating to vacation, sick leave, and compensatory time:

Employees of the Sheriff that have been employed one year or more earn two weeks of vacation leave per year. Vacation leave is prorated for employees have less than a year of service. The maximum amount of sick leave that may be accumulated and carried forward is 360 hours. Sick leave is not paid out upon termination, retirement, or death. The maximum amount of vacation leave that may be accumulated and carried forward is 40 and 42 hours, based on the number of hours worked per week. Upon termination, an employee is compensated for up to 40 to 42 hours of the unused, previously accrued vacation leave. Compensation is provided at the employee's hourly rate of pay at the time of termination, retirement, or death. As such, a liability for compensated absences has been recorded in the accompanying financial statements.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports 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 reports a separate section for Deferred Inflows of Resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Sheriff recognizes differences between expected and actual factors in total pension liability measurements, changes in assumptions about future factors in the total pension liability measurements, and the differences between projected and actual earnings on pension plan investments within these financial statement sections.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Pension Plan

The Sabine Parish Sheriff is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 8. 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 each of the plans, and additions to / deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. The financial statements were prepared using the accrual basis of accounting, member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance statutes governing the plan. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments have been reported at fair value within the plan.

L. Other Postemployment Benefits

The Sabine Parish Sheriff follows GASB Statement 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which requires the accrual of other postemployment benefits for retired employees. The sheriff has recorded a liability for other postemployment benefits (see Note 9). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

M. Interfund Transactions

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient and as an expenditure by the provider. If repayment is expected, these receivables and payables are classified as "Advance to (from) other funds." In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities. In addition, interfund receivables and payables are eliminated to present a net balance for each type of activity.

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, and expenses during the reporting period. Actual results could differ from those amounts.

O. Risk Management

The Sheriff is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering: automobile liability, medical payments, uninsured motorist, and collision; health insurance providing 100 percent coverage for any employee injured while on the job; and surety bond coverage. The Sheriff also maintains a Louisiana Sheriffs' Risk Management Program liability insurance policy. No claim has been paid on the policy during the past three years nor is the Sheriff aware of any unfiled claims.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Equity

Net Position

In the government-wide financial statements equity (the difference between assets and liabilities) is classified as net position and is reported in three components:

- a. Net Investment in capital assets--Consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position--Consists of net position with constraints placed on the use by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position--Consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The Sabine Parish Sheriff's policy is to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balances

As required by GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," this Statement provides clearly defined fund balance 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 constraints:

- *Nonspendable*--Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- *Restricted*--Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government).
- *Committed*--Amounts constrained by the Sheriff himself. To be reported as committed, amounts cannot be used for any other purpose unless the Sheriff takes the action to remove or change the constraint.
- *Assigned*--Amounts the Sheriff intends to use for a specific purpose.
- *Unassigned*--All amounts not included in other spendable.

At June 30, 2021, \$6,516 was non-spendable prepaid expenses; \$62,941 was restricted by the grantor; and \$10,708,961 was unassigned.

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.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Current Accounting Standards Scheduled to be Implemented

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operation and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The Sheriff will include the requirements of this standard, as applicable, in its June 30, 2022, financial statements.

2. LEVIED TAXES

The Sheriff was authorized 13.62 ad valorem tax millage and levied mills of 13.62 mills for 2020. Ad valorem taxes are recorded in the year the taxes are assessed. Total assessed value in the parish was \$229,902,072 in 2020. The amount of ad valorem tax collections recognized for the year ending June 30, 2021 was \$3,141,424.

Ad Valorem Taxes Paid Under Protest

Louisiana Revised Statute 47:1576 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 a notice, the amount paid shall be segregated and held by the tax collector for a period of thirty days. If a suit is filed within thirty days, the segregated funds shall be held pending outcome of the suit. If the taxpayer prevails, the tax collector shall refund the amount due with interest from the date the funds were received by the tax collector. As of June 30, 2021, there was \$0 paid under protest and escrowed.

Ad Valorem Tax Abatement and Homestead Exemption

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. Under state law, the first \$75,000 of assessed value of your primary residence is exempt from ad valorem taxation. For the fiscal year ending June 30, 2021, approximately \$965,268 in Sabine Parish Sheriff ad valorem tax revenues were exempted from tax through the homestead exemption and abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

Sales Taxes:

The Sheriff collects a one-half percent parish-wide sales and use tax with the net proceeds, after deduction costs of collection and administration, dedicated and used for salaries and benefits of deputies, and acquiring, maintaining, and operating of Sheriff's vehicles and equipment. The tax, approved by voters on July 17, 2004, was effective from and after October 1, 2004.

The Sheriff collects a one-quarter percent parish-wide sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated and used for the purpose of providing additional funding for the Sheriff's Office. The tax, approved by voters on January 18, 2003, was effective August 1, 2003 and is for a period of 10 years ending July 31, 2014. The tax was approved and renewed effective August 1, 2014 and for a period of 10 years ending July 31, 2024.

The amount of sales tax collected for year ended June 30, 2021, was \$3,715,468.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

3. CASH, INTEREST-BEARING DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents:

At June 30, 2021, the Sheriff has cash in interest bearing and non-interest bearing accounts (book balance) totaling \$6,422,508 as follows:

	Government Funds	Fidiciary Funds	Total
Demand deposits	\$ 260	\$ -	\$ 260
Interest-bearing demand deposits	3,251,490	288,312	3,539,802
Money market accounts	2,881,946	-	2,881,946
Petty Cash	500	-	500
Categorized bank deposits	\$ 6,134,196	\$ 288,312	\$ 6,422,508

The Sheriff has restricted assets relating to inmate trust accounts, probation accounts and narcotics funds. The inmate trust accounts consist of money that is deposited by inmates for purchase of commissary items. The Sheriff is not entitled to spend these funds. Probation and narcotics money consists of funds collected by the Sheriff related to criminal cases. The Sheriff is not entitled to spend these funds until the related case has been settled. Once cases are settled the funds will either be returned to the defendant or distributed among local Parish entities.

The cash and investments of the Sabine Parish Sheriff are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits.

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 always equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

At year end, the Sheriff had collected bank balances of \$3,581,748 which were covered by \$500,000 of federal depository insurance and pledged securities with of \$2,568,575 held by the custodial banks in the name of the Sabine Parish Sheriff. This resulted in a shortage of \$513,173 in adequate pledging from one financial institution. Time and savings deposits (money market accounts) of \$2,881,946 are held with an investment management company and covered by Security Investor Protection Corporation (SPIC) insurance of \$500,000. Holdings with investment companies are not required to be collateralized.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

3. CASH, INTEREST-BEARING DEPOSITS AND INVESTMENTS (continued)

Investments:

At June 30, 2021, the Sheriff held its assets in U.S. agency securities, equity trusts and certificates of deposit. The below schedule identified the investments by type:

Type	Carrying Value	Remaining Maturity				Credit Rating
		>1	1-5	6-10	11-30	
Investments at fair value						
U.S. agency securities	\$ 4,525,663	\$ 60,727	\$ 99,563	\$ 1,192,183	\$ 3,173,190	AAA
Investments at net asset value						
Equity trusts	80,120	80,120	-	-	-	
Total investments measured at fair value	<u>\$ 4,605,783</u>	<u>\$ 140,847</u>	<u>\$ 99,563</u>	<u>\$ 1,192,183</u>	<u>\$ 3,173,190</u>	

Accrued interest of \$17,835 is included in the Governmental Activities receivables balance per the Statement of Net Position.

Investment valuation. The Sheriff categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Sheriff has the following recurring fair value measurements as of June 30, 2021:

Level 2 inputs—U.S. agency securities are valued using a market based approach comprised of a combination of directly observable quoted prices and a matrix pricing technique that relies on the securities' relationship to other benchmark quoted securities.

Interest Rate Risk: This 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 its fair value is to changes in market interest rates. The Sheriff does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Sheriff diversifies its investments by security type and institution.

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The Sabine Parish Sheriff's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Sabine Sheriff may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

3. CASH, INTEREST-BEARING DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk. The Sheriff's investment portfolio had concentration of credit risk on June 30, 2021 due to the holding of securities issued by the following U.S. Agencies that are both permitted by statute and Sheriff's investment policy. The Sheriff's investment portfolio consisted of 43.59% of securities issued by the Federal Home Loan Bank, 22.70% of securities issued by the Federal Farm Credit Bank, 21.92% of securities issued by the Government National Mortgage Association (GNMA), and 10.05% of securities issued by the Federal National Mortgage Association (FNMA). The Sheriff's investment policy does not limit the amount it may invest in any one issuer.

Custodial credit risk: For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Sheriff does not have an investment policy for custodial credit risk; however, state law described in a preceding paragraph is designed to limit this risk. The Sheriff has custodial credit risk exposure for the investment balance because the related securities are uninsured, unregistered, and held by the government's brokerage firm, which is also the counterparty for these particular securities. Investments are held with an investment management company which is insured by SIPC for up to \$500,000.

The \$80,120 in equity trusts is invested in GNMA re-investment trust securities, valued using net asset value (NAV). This security is a pooled investment vehicle that seeks monthly distributions of interest through long-term investments in a portfolio of Ginnie Maes. Interest in these securities may be liquidated on a daily basis at the daily redemption rate which is NAV.

4. RECEIVABLES

The following is a summary of receivables at June 30, 2021:

	General Fund
Intergovernmental revenues:	
Federal overtime	\$ 8,834
Parish revenue	55,592
State grants	2,240
Dispatch salary reimbursements	15,212
Sales tax	410,863
Ad valorem tax	8,463
Fees, charges, and commissions for services:	
Court fines and fees	9,464
Feeding and keeping parish prisoners	4,849
Feeding and keeping state prisoners	51,421
Commissary	8,184
City Telcoin	6,156
Other	4,025
	585,303
General	
Accrued interest	17,835
Deposits on utilities	1,075
Overpayments to be refunded	5,000
Totals	\$ 609,213

**SABINE PARISH SHERIFF
Many, Louisiana**

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

5. CAPITAL ASSETS

A summary of changes in office furnishings, equipment and vehicles follows:

<u>Governmental Activities</u>	Balance <u>7/1/2020</u>	Additions	Reclassification/ Deletions	Balance <u>6/30/2021</u>
Capital assets not begin depreciated:				
Land	\$ 111,165	\$ -	\$ -	\$ 111,165
Total assets not being depreciated	<u>111,165</u>	<u>-</u>	<u>-</u>	<u>111,165</u>
Depreciable assets:				
Buildings & improvements	2,495,600	481,445	-	2,977,045
Furniture, fixtures, & equipment	849,155	147,113	-	996,268
Vehicles	<u>2,518,701</u>	<u>209,604</u>	<u>-</u>	<u>2,728,305</u>
Total depreciable assets	<u>5,863,456</u>	<u>838,162</u>	<u>-</u>	<u>6,701,618</u>
Total Assets	5,974,621	838,162	-	6,812,783
Less accumulated depreciation	3,946,060	411,380	-	4,357,440
Capital assets, net	<u>\$ 2,028,561</u>	<u>\$ 426,782</u>	<u>\$ -</u>	<u>\$ 2,455,343</u>

Depreciation expense in the amount of \$411,380 was charged to public safety.

6. COMPENSATED ABSENCES

Compensated absences represent accumulated and vested employee leave benefits computed in accordance with accounting principles generally accepted in the United States of America. The liability for compensated absences is computed only at the end of the fiscal year. As of June 30, 2021, the Sheriff's compensated absences payable in accordance with GASB Statement No. 16 amounted to 14,057 hours with a resulting liability as following:

Compensated absences at July 1, 2020	\$ 29,348
Additions	3,493
Deductions	-
Compensated absences at June 30, 2021	<u>\$ 32,841</u>

7. DEFERRED COMPENSATION

Certain employees of Sabine Parish Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, P. O. Box 94397, Baton Rouge, Louisiana 70804-9397.

8. PENSION PLAN

Plan Description. Substantially all employees of the Sabine Parish Sheriff's office are members of the Louisiana Sheriffs' Pension and Relief Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriffs' offices throughout the state, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Sheriffs' Pension and Relief Fund, State of Louisiana, is the administrator of the Fund and is governed by a separate board of trustees.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

8. PENSION PLAN (continued)

Funding Policy. Contribution requirements for all employers are actuarially determined each year in accordance with state statute. For the year ended June 30, 2021, the actual employer contribution rate was 12.25% with no additional percentage allocated from the Funding Deposit Account. Employee contributions are based on the employee's annual covered salary and are established by the board of trustees. For the year ended June 30, 2021, the employee contribution rate was 10.25%.

The Sabine Parish Sheriff's contributions to the System which also include the employee's portion are as follows:

	2021	2020	2019
Employee portion	\$ 396,368	\$ 355,585	\$ 338,704
Employer contributions	473,711	424,968	405,419
Total pension contributions	\$ 870,079	\$ 780,553	\$ 744,123

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. Non-employer contributions of \$210,175 were recorded for the year ended June 30, 2021, in the government-wide statements.

Retirement Benefits. For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not the 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 fund 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 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 members whose first employment making them eligible for membership in the fund 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 members whose first employment making them eligible for membership in the fund 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 joining months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty-month period shall not exceed 125% of the preceding twelve-month period.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

8. PENSION PLAN (continued)

For members whose first employment making the eligible for membership in the fund 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. Members are eligible to receive disability benefits if they have at least ten years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the member's 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 disable receive 75% of the amount payable for total disability.

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

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

Deferred Retirement Option Plan (DROP)/Back Deferred Retirement Option Plan (Back-DROP). For members retiring before July 1, 2001 in lieu of terminating employment and accepting a service retirement, members could elect to participate in the Deferred Retirement Option Plan (DROP). Upon entering the DROP employee and employer contributions cease. The monthly retirement contribution that would have been paid if the member retired is deposited into the DROP account for up to three years. Funds held in the DROP account earn interest and can be disbursed to the member upon request. Effective July 1, 2001, the Back-DROP program replaced the DROP program. 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. A member elects to "take" Back-DROP at the time of separation from employment to retire. 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. A member's Back-DROP benefit is the maximum monthly retirement benefit 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 Fund during the Back-DROP period. The member's DROP and Back-DROP balances left on deposit are managed by a third party, fixed income investment manager. 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.

**SABINE PARISH SHERIFF
Many, Louisiana**

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

8. PENSION PLAN (continued)

Permanent Benefit Increases/Cost of Living Adjustments. As fully described in Title 11 of the Louisiana Revised Statutes, the Fund allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature. 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.

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

At June 30, 2021, the Sheriff reported a liability of \$3,252,367 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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 entities, actuarially determined. At June 30, 2020, the Sheriff's proportion was 0.469917%, which was an increase of 0.002816% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Sheriff recognized total pension expense of: \$314,901.

At June 30, 2021, 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
Differences between expected and actual experience	\$ -	\$ 380,136
Changes of assumptions	799,400	-
Net difference between projected and actual earnings on pension plan investments	782,499	-
Changes in employer's proportion of beginning NPL	-	9,434
Changes in proportion and differences between employer contributions and proportionate share of contributions	29,070	40,170
Employer contributions subsequent to the measurement date	473,711	-
Total	\$ 2,084,680	\$ 429,740

Sheriff contributions subsequent to the measurement date in the amount of \$473,711 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ending 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:

Year		
2021	\$	170,270
2022		338,435
2023		357,668
2024		275,568
2025		39,288
Total	\$	1,181,229

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

8. PENSION PLAN (continued)

Actuarial Methods Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Expected Remaining Service Lives	2020-2018 - 6 years; 2017 & 2016 -7 years; 6 years for 2015 & 2014
Investment Rate of Return	7.00% net of investment expense, including inflation
Discount Rate	7.00%
Projected salary increases	5.00% (2.5% inflation, 2.5% merit)
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.
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, 2014 through June 30, 2019. 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.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

8. PENSION PLAN (continued)

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2020 are as follows:

Asset Class	Long-Term Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	62%	6.8%	4.20%
Fixed Income	23%	2.4%	0.60%
Alternative Investments	15%	4.7%	0.70%
Totals	100%		5.50%
Inflation			2.40%
Expected Arithmetic Nominal Return			7.90%

The discount rate used to measure the total pension liability was 7.00%. 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 Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Sheriff calculated using the discount rate of 7.0%, as well as what the Sheriff's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Changes in Discount Rate		
	1% Decrease	Current Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Net pension liability	5,907,429	3,252,367	1,038,176

Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2021 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience. The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Differences between Projected and Actual Investment Earnings. The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

8. PENSION PLAN (continued)

Changes in Assumptions. The changes in assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Changes in Proportion. Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Contributions—Proportionate Share. Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

Retirement Fund Audit Report

The Sheriff's Pension and Relief Fund has issued a stand-alone financial report for the year ended June 30, 2020. Access to the report can be found on the Louisiana Legislative Auditor's website www.lia.la.gov.

9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

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

Benefits Provided – Medical, dental, and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1st, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer for the amount \$10,000. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Employees covered by benefit terms—At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	23
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	77
Annual required contribution (ARC)	<u>100</u>

**SABINE PARISH SHERIFF
Many, Louisiana**

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

9. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Total OPEB Liability

The Sheriff's total OPEB liability of \$8,103,891 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	3.0% including inflation
Prior discount rate	2.21%
Discount rate	2.16% annually
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 7,510,077
Changes for the year	
Service cost	192,647
Interest cost at 2.21%	168,101
Differences between expected and actual experience	316,671
Changes in assumptions	76,582
Benefit payments and net transfers	(160,187)
Net changes	<u>593,814</u>
Balance at June 30, 2021	<u>\$ 8,103,891</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	Changes in Discount Rate		
	1% Decrease 1.16%	Current 2.16%	1% Increase 3.16%
Total OPEB liability \$	<u>9,558,010</u>	<u>\$ 8,103,891</u>	<u>\$ 6,953,688</u>

**SABINE PARISH SHERIFF
Many, Louisiana**

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

9. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using 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:

	Changes in healthcare cost trend rates		
	1% Decrease	Current Trend	1% Increase
	4.50%	5.50%	6.50%
Total OPEB liability \$	7,207,333	8,103,891	9,226,014

For the year ended June 30, 2021, the Sheriff recognized total OPEB expense of \$322,276. At June 30, 2021, the Sheriff reported deferred outflows of resources and 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	\$ 775,169	\$ (208,496)
Changes in assumptions	640,757	-
Total	\$ 1,415,926	\$ (208,496)

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

Year ending June 30	
2022	\$ 122,012
2023	\$ 122,012
2024	\$ 122,012
2025	\$ 122,012
2026	\$ 122,012
Thereafter	\$ 597,369

10. LONG-TERM DEBT

In order to finance the purchase of automobiles, the Sheriff has entered into direct borrowing financed purchase agreements. The total amount financed was approximately \$783,000 due in monthly installments of \$806 to \$9,426 over a period of 36 months maturing between November 2019 and October 2022 including interest ranging from 3.75% to 4.75%. The automobiles are pledged as collateral for the direct borrowing. In the event of default or termination, the lender may declare all amounts due and payable and request that the automobiles be returned to the lender. The Sheriff paid off all outstanding debt during the year.

The following is a summary of long-term debt transactions of the Sheriff for the year ended June 30, 2021:

Government-type Activities:

	Notes from Direct Borrowing
Balance at July 1, 2020	\$ 318,942
Increases	-
Decreases	(318,942)
Balance at June 30, 2021	\$ -

**SABINE PARISH SHERIFF
Many, Louisiana**

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

11. COMMITMENTS AND CONTINGENCIES

Lawsuits. At June 30, 2021, the Sheriff was a defendant in lawsuits principally arising from the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Sheriff and legal counsel, resolution of these matters would not create a liability in excess of insurance coverage that would have a material adverse effect on the financial condition of the Sheriff.

Grants. The Sheriff receives grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could result in a request for reimbursement for disallowed costs under the terms of the agreements. In the opinion of management, such disallowance, if any, would be insignificant.

Cooperative Endeavor Agreements:

Effective July 1, 2020, the Sabine Parish Sheriff entered into a cooperative endeavor agreement with the Sabine Parish School Board, to provide POST-Certified law enforcement officers as School Resource Officers (SRO's) to enhance security of students, teachers, and employees of schools operated by the School Board. The School Board is responsible for covering the costs to provide the SRO's which were deemed to be \$150,000 for the year ending June 30, 2021.

12. RELATED PARTY TRANSACTIONS

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended June 30, 2021.

13. ON-BEHALF PAYMENTS

Salaries:

The Sheriff recognizes as general fund revenues and expenses, supplemental pay paid by the State of Louisiana to the Sheriff's employees. For year ended June 30, 2021, the state contributed \$219,209.

Operating expenses:

The Sheriff's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse, as required by state statute, are paid by the Sabine Parish Police Jury and are not included in the accompanying financial statements.

14. SUBSEQUENT EVENTS

Management has performed an evaluation of the Sheriff's activities through April 5, 2022, and has concluded that there are no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

SABINE PARISH SHERIFF
Many, Louisiana

BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND

For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
EXPENDITURES/EXPENSES				
Current:				
Public Safety:				
Personal services & related benefits	\$ 5,977,530	\$ 6,338,315	\$ 6,202,875	\$ 135,440
Operating expenses	922,435	1,023,289	1,258,274	(234,985)
Material & supplies	1,012,660	1,244,763	1,277,881	(33,118)
Travel & other charges	30,000	62,000	115,123	(53,123)
Debt Service:				
Principal	118,000	318,794	318,942	(148)
Interest	6,100	7,340	7,056	284
Capital outlays	660,000	739,769	838,162	(98,393)
TOTAL EXPENDITURES/EXPENSES	<u>8,726,725</u>	<u>9,734,270</u>	<u>10,018,313</u>	<u>(284,043)</u>
PROGRAM REVENUES				
Prisoner reimbursement fees	775,000	745,489	738,025	(7,464)
Contractual fees	744,800	692,196	992,652	300,456
Operating grants and contributions	281,000	1,373,265	1,209,495	(163,770)
TOTAL PROGRAM REVENUES	<u>1,800,800</u>	<u>2,810,950</u>	<u>2,940,172</u>	<u>129,222</u>
NET PROGRAM EXPENSE	(6,925,925)	(6,923,320)	(7,078,141)	(154,821)
GENERAL REVENUES				
Property taxes	3,000,000	3,139,635	3,141,424	1,789
Sales taxes	3,700,000	3,700,000	3,715,468	15,468
State revenue sharing	66,600	66,602	66,602	-
Miscellaneous income	10,000	87,710	38,766	(48,944)
Investment earnings	144,515	73,304	(38,524)	(111,828)
TOTAL GENERAL REVENUES	<u>6,921,115</u>	<u>7,067,251</u>	<u>6,923,736</u>	<u>(143,515)</u>
EXCESS(Deficiency) of REVENUES				
OVER EXPENDITURES	(4,810)	143,931	(154,405)	(298,336)
FUND BALANCE				
Beginning of the year	10,932,823	10,932,823	10,932,823	-
End of the year	<u>\$ 10,928,013</u>	<u>\$ 11,076,754</u>	<u>\$ 10,778,418</u>	<u>\$ (298,336)</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

For the year ended June 30, 2021

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability				
Service cost	\$ 160,142	\$ 162,389	\$ 178,229	\$ 192,647
Interest	210,503	223,695	244,029	168,101
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	202,545	400,537	(268,066)	316,671
Changes of assumptions		104,291	624,568	76,582
Benefit payments	<u>(129,810)</u>	<u>(105,997)</u>	<u>(151,836)</u>	<u>(160,187)</u>
Net change in total OPEB liability	443,380	784,915	626,924	593,814
Total OPEB liability-beginning	<u>5,654,858</u>	<u>6,098,238</u>	<u>6,883,153</u>	<u>7,510,077</u>
Total OPEB liability-ending	<u>\$ 6,098,238</u>	<u>\$ 6,883,153</u>	<u>\$ 7,510,077</u>	<u>\$ 8,103,891</u>
Covered-employee payroll	\$ 3,176,730	\$ 3,272,032	\$ 2,848,796	\$ 2,934,260
Net OPEB liability as a percentage of covered-employee payroll	191.97%	210.36%	263.62%	276.18%
Notes to Schedule				
Benefit Change:	None	None	None	None
Changes of Assumptions:				
Discount rate	3.62%	3.50%	2.21%	2.16%
Mortality	RP-2000	RP-2000	RP-2014	RP-2014
Trend	5.50%	5.50%	Variable	Variable

This schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

For the year ended June 30, 2021

Louisiana: Sheriffs' Pension and Relief Fund

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
2015	0.47972%	\$ 1,899,694	\$3,173,301	60%	87.34%
2016	0.47161%	\$ 2,102,210	\$3,126,852	67%	86.61%
2017	0.48531%	\$ 3,080,199	\$3,314,415	93%	82.10%
2018	0.47588%	\$ 2,060,686	\$3,288,052	63%	88.49%
2019	0.47974%	\$ 1,839,638	\$3,301,934	56%	90.41%
2020	0.47273%	\$ 2,236,135	\$3,304,418	68%	88.91%
2021	0.46992%	\$ 3,252,367	\$3,469,119	94%	84.73%

*Amounts presented were determined as of the measurement date (previous fiscal year end)

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

The notes to the financial statements are an integral part of this statement
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF

Many, Louisiana

SCHEDULE OF PENSION CONTRIBUTIONS

For the year ended June 30, 2021

Louisiana: Sheriffs' Pension and Relief Fund

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$ 445,576	\$ 445,576	\$ -	\$ 3,126,852	14.25%
2016	\$ 455,733	\$ 455,733	\$ -	\$ 3,314,415	13.75%
2017	\$ 435,928	\$ 435,928	\$ -	\$ 3,288,052	13.26%
2018	\$ 420,996	\$ 420,996	\$ -	\$ 3,301,934	12.75%
2019	\$ 405,419	\$ 405,419	\$ -	\$ 3,304,418	12.27%
2020	\$ 424,968	\$ 424,968	\$ -	\$ 3,469,119	12.25%
2021	\$ 473,711	\$ 473,711	\$ -	\$ 3,867,019	12.25%

*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.*

The notes to the financial statements are an integral part of this statement
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

As of and for the Year Ended June 30, 2021

Budgetary Information

The Sheriff's budget is prepared in accordance with accounting principles generally accepted in the United States of America.

The Louisiana Local Government Budget Act provides that "the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

The Sheriff exercises budgetary control at the functional level. Within functional levels, the accountant has the authority to make amendments as necessary.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year-end. The budget was not amended during the year. The budget comparison schedules present the original adopted budget and the final budget.

The Sheriff's budget process is as follows:

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least 10 days prior to the public hearing. Public hearings are held at the Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the Sheriff and amended during the year, as necessary. Budgets are established and controlled by the Sheriff at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. The Sheriff must approve all changes or amendments to the budget.

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Sheriff. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and the final budget which includes all amendments.

Pension Information

The schedule of the Sheriff's proportionate share of the net pension liability and the schedule of the Sheriff's pension contributions are intended to show information for 10 years. Additional years will be displayed as they become available. There were no changes of benefit terms for the year ended June 30, 2021.

Changes of assumptions:

<u>Year ended June 30,</u>	<u>Discount rate</u>	<u>Investment rate of return</u>	<u>Inflation rate</u>	<u>Expected remaining lives</u>	<u>Projected salary increase</u>
2015	6.00%	7.70%	3.00%	6	6.00%
2016	7.60%	7.70%	2.88%	6	5.50%
2017	7.50%	7.60%	2.88%	7	5.50%
2018	7.40%	7.50%	2.78%	7	5.50%
2019	7.25%	7.25%	2.60%	6	5.50%
2020	7.10%	7.10%	2.50%	6	5.50%
2021	7.00%	7.00%	2.50%	6	5.00%

OTHER SUPPLEMENTAL INFORMATION

SABINE PARISH SHERIFF
Many, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the year ended June 30, 2021

Aaron Mitchell, Sheriff

Purpose:

Salary	\$	147,298
Benefits - Insurance		11,478
Benefits - Retirement		18,044
Expense allowance		15,079

See the accompanying independent auditor's report.

ANNUAL REPORTING REQUIREMENT OF SHERIFF AS EX OFFICIO TAX COLLECTOR TO LEGISLATIVE AUDITOR

State of Louisiana, Parish of Sabine
Aaron Mitchell, Sheriff of Sabine Parish

BEFORE ME, the undersigned authority, personally came and appeared, Aaron Mitchell, the Sheriff of Sabine Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$56,660 is the amount of cash on hand in the tax collector accounts on June 30, 2021.

He further deposed and said:

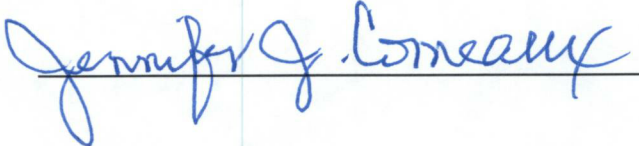
All itemized statements of the amounts of taxes collected for the tax year 2020, by taxing authority, are true and correct.

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



Sheriff of Sabine Parish

SWORN to and subscribed before me, Notary, this 21th day of April, 2022, in my office in Many, LA.



Supplemental Information.
See the accompanying independent auditor's report

**SABINE PARISH SHERIFF
MANY, LOUISIANA**

**Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended June 30, 2021**

Cash Basis Presentation	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 06/30/2021
Receipts From:		
Civil fees:		
Desoto Parish Clerk of Court	\$ 826	\$ 572
Natchitoches Parish Clerk of Court	515	451
Vernon Parish Clerk of Court	279	631
Calcasieu Clerk of Court	325	124
Beauregard Clerk of Court	222	193
Alexandria City Court	114	286
Shreveport City Court	152	203
Bossier Parish Clerk of Court	69	284
Caddo Parish Clerk of Court	246	108
Natchitoches City Court	164	183
Rapides Parish Clerk of Court	183	121
Natchitoches Parish Sheriff	226	-
St. Martin Parish Clerk of Court	152	72
Other Clerks Totaling Less Than \$150 Annually	<u>1,522</u>	<u>1,094</u>
Total Receipts	<u>\$ 4,995</u>	<u>\$ 4,323</u>

Supplemental information
See the accompanying independent auditor's report.

**SABINE PARISH SHERIFF
MANY, LA**

**Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended June 30, 2021**

Cash Basis Presentation	First Six Month Period Ended 12/31/20	Second Six Month Period Ended 6/30/21
Beginning Balance of Amounts Collected	\$ 195,682	\$ 241,489
Add: Collections		
Civil Fees	-	-
Bond Fees	53,106	70,114
Asset Forfeiture/Sale	169,304	142,394
Pre-trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	137,341	142,040
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	415	508
Other	-	-
Subtotal Collections	<u>360,166</u>	<u>355,056</u>
Less: Disbursements To Governments & Bond Fees		
Sabine Parish Clerk of Court	593	701
Sabine Parish District Attorney	8,851	11,488
11th Judicial District Indigent Defender Fund	7,367	9,736
11th Judicial District Expense Fund	6,774	9,035
Northwest Louisiana Crime Lab	593	701
Criminal Court Costs/Fees		
Northwest Louisiana Crime Lab	17,893	16,135
Sabine Crime Stoppers	746	782
Sabine Parish Clerk of Court	11,140	10,248
Sabine Parish District Attorney	16,994	16,627
11th Judicial District Criminal Court Fund	55,762	54,018
11th Judicial District Indigent Defender Fund	19,316	21,060
11th Judicial District Judicial Expense Fund	5,046	5,015
DHH-Head/Spinal Cord Trust Fund	1,200	1,000
Sabine Parish Police Jury	12,570	12,879
Louisiana Treasury	1,467	1,252

**SABINE PARISH SHERIFF DEPARTMENT
MANY, LA**

**Justice System Funding Schedule - Collecting/Disbursing Entity (continued)
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended June 30, 2021**

Criminal Court Costs/Fees (continued)			
Louisiana Commission on Law Enforcement	\$	2,146	\$ 2,331
Louisiana State Police		425	366
Ware Juvenile		2,897	2,991
Many Police Department		149	1,041
Zwolle Police Department		348	-
Louisiana Judicial College		281	226
Wildlife & Fisheries		300	156
Civil Costs/Fees			
Sabine Parish Clerk of Court		9,808	7,771
Less: Amounts Retained by Collecting Agency			
Collection fee based on percentage of collection			
Garnishment Fees		4,648	3,523
Sheriff Sale Fees		4,927	6,626
Amounts "Self-Disbursed" to Collecting Agency			
Criminal fees		13,778	13,471
Bond Fees		11,817	14,993
Less: Disbursements to Individuals/3rd Party			
Collection or Processing Agencies			
Garnishment Payments to 3rd Party		61,225	58,398
Sheriff Sale Payments to 3rd Party		17,605	22,073
Cash Bond Refunds		15,437	2,207
Fine Refunds		1,309	158
Other Disbursements to Individuals		947	58,663
Subtotal Disbursements/Retainage		314,359	365,671
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	\$	241,489	\$ 230,874

Supplemental information.
See the accompanying independent auditor's report.

SABINE PARISH SHERIFF
Many, Louisiana

Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Federal Revenues	Federal Expenditures	Amount Provided Subrecipients
Department of Homeland Security:				
Federal Emergency Management Agency: Governor's Office of Homeland Security and Emergency Preparedness				
Public Assistance Disaster Grant Program	97.036	\$ 53,160	\$ 53,160	\$ -
Total Department of Homeland Security		<u>53,160</u>	<u>53,160</u>	<u>-</u>
Department of the Treasury				
Coronavirus Emergency Supplemental Funding Program Louisiana Commission on Law Enforcement and Administration of Criminal Justice				
Cares Act	16.034	785,144	785,144	-
Total Department of the Treasury		<u>785,144</u>	<u>785,144</u>	<u>-</u>
Total Federal Financial Assistance		<u>\$ 838,304</u>	<u>\$ 838,304</u>	<u>\$ -</u>

The notes to the schedule of expenditures of federal awards are an integral part of this statement
See the accompanying independent auditor's report.

**SABINE PARISH SHERIFF
Many, Louisiana**

**Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of the Sabine Parish Sheriff under programs of the federal government for the year ended June 30, 2021. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portions of the operations of the Sheriff, it is not intended to and does not present the financial position, changes in net position or cash flows of the Sheriff.

2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, *Cost Principles for Nonprofit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The Sheriff has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

OTHER REPORTS



Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFF
122 Jefferson Street
Mansfield, LA 71052
www.deesgardnercpas.com

Maura Dees Gardner, CPA, CFE
1659 Hwy 171 / P.O. Box 328
Stonewall, LA 71078
Phone: (318) 872-3007

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

Honorable Aaron Mitchell
Sabine Parish Sheriff
Many, 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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sabine Sheriff as of and for the year ended Jun 30, 2021, and the related notes to the financial statements, which collectively comprise the Sabine Parish Sheriff's basic financial statements and have issued our report thereon dated April 5, 2022.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify two deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies, identified as 2021-01 and 2021-02.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sabine 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 three instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Items 2021-3 and 2021-4.

Sabine Parish Sheriff's Response to Finding

The Sabine Parish Sheriff's response to the findings was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana
April 5, 2022



Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFE
122 Jefferson Street
Mansfield, LA 71052
www.deesgardnercpas.com

Maura Dees Gardner, CPA, CFE
1659 Hwy 171 / P.O. Box 328
Stonewall, LA 71078
Phone: (318) 872-3007

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Aaron Mitchell, Sheriff
Sabine Parish Sheriff
Many, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Sabine Parish Sheriff's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Sabine Parish Sheriff's major federal programs for the year ended June 30, 2021. The Sabine Parish Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Sabine Parish Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Dees Gardner, Certified Public Accountants, LLC

April 5, 2022
Mansfield, Louisiana

Sabine Parish Sheriff

Many, Louisiana

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

For the Year ended June 30, 2021

Part I. SUMMARY OF AUDITOR'S REPORTS

A. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with the *Uniform Guidance*:

1. An unmodified opinion was issued on the primary government financial statements of the Sabine Parish Sheriff as of and for the year ended June 30, 2021.
2. The audit disclosed two material weaknesses in internal control.
3. The audit disclosed three instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any significant deficiencies in internal control over a major program.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed no findings related to federal awards that is required to be reported under the Uniform Guidance.
7. The following program was major for the year ended June 30, 2021:
 - o Coronavirus Emergency Supplemental Funding Program (CFDA 16.034)
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The Sabine Parish Sheriff does not qualify as a low-risk auditee.

B. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The following findings relates to the financial statements and is required to be reported in accordance with *Government Auditing Standards*.

Internal Control

2021-01 Custodial Fund Reconciliation (repeat)

Criteria – The Sheriff's Fund bank account is used as a depository for court fines, traffic tickets payments, commercial and cash bonds, and undistributed Sheriff's sales. Control procedures should be in place that reconciles the case or docket balances to the depository balance

Finding – These depository cash balances are reconciled to the balances recorded in the subsidiary listing of cases, dockets, receipts, tickets or undistributed Sheriff's sales upon request. However, the cash balances are not reconciled to subsidiary listings regularly.

Cause – Limited staff makes it difficult to initiate the process and develop the correct reports from the case management software.

Sabine Parish Sheriff

Many, Louisiana

SCHEDULE OF AUDIT FINDINGS AND RESPONSES For the Year ended June 30, 2021

2021-01 Custodial Fund Reconciliation (continued)

Effect – Unauthorized transactions may occur, and not be detected timely.

Recommendation – We recommend that the Sheriff initiate/improve the process of reconciling subsidiary balances to the respective depository balances.

Management's Response and Planned Corrective Action:

The Sheriff is still in the process of correcting this issue, but as noted there is difficulty in retrieving appropriate data from the software. The outgoing Chief Civil Deputy is retiring on June 30 and intends to have all balances reconciled to the fullest extent possible by his departure date.

2021-02 Disaster Recovery

Criteria -A disaster recovery plan's goal is to minimize interruptions to the normal operation, limit the extent of disruption and damage, and to provide for a smooth and rapid restoration of service. The plan should reduce the economic impact of the interruption and establish alternative means of operation in advance.

Finding – During the performance of field work, the Sheriff's main server "crashed," disrupting normal operations for about 2 weeks and costing the department approximately \$18,000 for the recovery service.

Cause – Two of three backups failed concurrently.

Effect – The Sheriff lost time in which the department was able to fully function.

Recommendation – We recommend that the Sheriff establish a Disaster Recovery Plan.

Management's Response and Planned Corrective Action:

The Sheriff has instituted a new backup system that is now being tested weekly to confirm viability. Additionally, management is working towards adopting a formal Disaster Recovery policy.

Compliance

2021-03 Public Bid Law (repeat)

Criteria – According to Louisiana Revised Statute 38:2212.1, all purchases of any materials or supplies exceeding the sum on thirty thousand dollars to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder who has bid according to the specifications as advertised. Purchases of ten thousand dollars or more, but less than thirty thousand dollars, shall be made by obtaining not less than three telephone or facsimile quotations.

Sabine Parish Sheriff

Many, Louisiana

SCHEDULE OF AUDIT FINDINGS AND RESPONSES For the Year ended June 30, 2021

2021-03 Public Bid Law (repeat) (continued)

Finding - During the year ended June 30, 2021, the Sheriff purchased over \$70,000 in uniforms, body armor, and tactical gear. The purchase was not advertised, and bids were not obtained.

Cause – The Sheriff was not in compliance with Louisiana Revised Statutes 38:2212.1.

Effect – The Sheriff is in violation of the Louisiana Statute.

Recommendation – The Sheriff should consider the applicability of the public bid law prior to purchase.

Management's Response and Planned Corrective Action:

The Chief Deputy and Chief Civil Deputy are aware of the bid law and attempt to comply. The Chief Deputy has consulted with the auditors as to how to proceed in certain instances.

It is difficult to anticipate when and with which vendors we might exceed bid thresholds through cumulative small purchases. All small purchases are made from competitive vendors on the open market, or, in some cases, single or only reliable sources.

We performed due diligence and prudence in order to comply fully with the public bid law and are committed to remaining in compliance with state bid laws.

2021-04 Collateral on Deposits (repeat)

Criteria - Louisiana Revised Statutes 39:1218 through 39:1221 require deposits over \$250,000, the FDIC insured limit, to be secured by collateral. The fiscal agent bank is required to deposit and maintain with an unaffiliated bank that security.

Finding - At the year ended June 30, 2021, the Sheriff was deficient by \$513,173 for accounts with the Sabine State Bank.

Cause – The Sheriff was not in compliance with Louisiana Revised Statutes 39:1218 through 39:1221.

Effect – The Sheriff is in violation of the Louisiana Statute.

Recommendation – We recommend that the Sheriff implement a procedure whereby collateral coverage is reviewed regularly.

Management's Response and Planned Corrective Action:

Management concurs with the finding. Management will implement a procedure where collateral is reviewed quarterly.

Sabine Parish Sheriff

Many, Louisiana

SCHEDULE OF AUDIT FINDINGS AND RESPONSES For the Year ended June 30, 2021

2021-05 Violation of Audit Law

Criteria -The Sheriff is subject to R.S. 24:513(A)(5)(a), requiring “audits to be completed within six months of the close of the entity’s fiscal year.” This can be extended due to disaster or COVID related circumstances.

Finding – The Sheriff’s audit report for year ended June 30, 2021, was not submitted by the March 31, 2022, extended deadline.

Cause – The independent auditor for the Sheriff was short staffed due to COVID related illness and was unable to complete the audit before the deadline.

Effect – The Sheriff is not in compliance with the financial reporting standards and is in violation of the above state statute.

Recommendation – The Sheriff should file the report each year by the deadline

Management’s Response and Planned Corrective Action:

The Sabine Sheriff recognizes the importance of timely filing its annual financial audits and will file future reports in accordance with the requirements of R.S. 24:513(A)(5)(a).

C. FINDINGS IN ACCORDANCE WITH UNIFORM GUIDANCE

None.

Sabine Parish Sheriff

Many, Louisiana

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year ended June 30, 2021

2019-001 and 2020-001. Custodial Fund Reconciliation

Unresolved, See Finding 2021-01

2020-002. Public Bid Law

Partially resolved. See finding 2021-03

2020-003 Collateral on Deposits

Unresolved. See Finding 2021-04