

UNION PARISH SHERIFF
Farmerville, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2020
With Supplemental Information Schedules

UNION PARISH SHERIFF
Farmerville, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 2020
With Supplemental Information Schedules

C O N T E N T S

		<u>Page No.</u>
Independent Auditor's Report		3
Required Supplemental Information (Part I)		
Management's Discussion and Analysis		6
Basic Financial Statements		
	<u>Statement</u>	<u>Page No.</u>
Government-Wide Financial Statements:		
Statement of Net Position	A	11
Statement of Activities	B	12
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	13
Reconciliation of the Governmental Funds Balance Sheet to The Financial Statement of Net Position		14
Statement of Revenues, Expenditures, and Changes in Fund Balances	D	15
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances To the Statement of Activities		17
Fiduciary - Agency Funds:		
Statement of Fiduciary Net Position	E	18
Statement of Changes in Fiduciary Net Position	F	19

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
Notes to the Financial Statements		21
Required Supplemental Information (Part II):		
Budget Comparison Schedule - General Fund	1	46
Note to Budgetary Comparison Schedule		48
Schedule of Changes in Net OPEB Liability and Related Ratios	2	49
Employer's Share of Net Pension Liability	3	50
Employer Contributions to Pension	4	51
Affidavit		52
Other Supplemental Schedules (Part III):		
Schedule of Compensation, Benefits and Other Payments to Agency Head	5	54
Non Major Governmental - Combining Balance Sheet	6	56
Non Major Governmental - Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	7	57
Independent Auditor's Report Required by Government Auditing Standards:		
Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		60
Schedule of Findings and Responses	8	62
Summary Schedule of Prior Audit Findings	9	63

Independent Auditor's Report

UNION PARISH SHERIFF
Farmerville, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major fund, fiduciary funds, and the aggregate remaining fund information of the Union Parish Sheriff, a component unit of the Union Parish Police Jury, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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 Union Parish Sheriff'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 Union Parish Sheriff's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule and notes to required supplementary information, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Employer's share of the Net Pension Liability, and the Schedule of Employer Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Union Parish Sheriff's office basic financial statements. The combining and individual nonmajor fund financial statements on page 56 and 57, the accompanying schedule of compensation, benefits and other payments to agency head on page 54 and the Sheriff's sworn affidavit presented on page 52 are presented for the purpose of additional analysis and are not a required part of the financial statements.

These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation, benefits and other payments and the Sheriff's sworn affidavit are fairly stated, in all material respects, in relation to the basic financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated August 28, 2020, on my consideration of the Union Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Union Parish Sheriff's internal control over financial reporting and compliance.



West Monroe, Louisiana
August 28, 2020

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

UNION PARISH SHERIFF
Farmerville, Louisiana

Management's Discussion and Analysis
June 30, 2020

As management of the Union Parish Sheriff, I offer readers of the Union Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Union Parish Sheriff for the fiscal year ended June 30, 2020. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Union Parish Sheriff's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Union Parish Sheriff's assets and liabilities, with the difference between the two 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 Union Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Union Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Union Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Union Parish Sheriff adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Union Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Union Parish Sheriff's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Union Parish Sheriff exceeded liabilities by \$2,894,126. Capital assets (e.g. equipment) of the Union Parish Sheriff exceed net position due to the Net OPEB and Net Pension liabilities. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

An additional portion of the Union Parish Sheriff's net position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Union Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets included in the statement of net position.

STATEMENT OF NET POSITION

ASSETS	2020	2019
Cash and cash equivalents	\$2,702,667	\$2,584,885
Receivables	288,913	271,686
Prepays	18,154	17,289
Due from other funds	1,171	1,459
Capital assets (net of accumulated depreciation)	3,872,501	4,087,156
TOTAL ASSETS	6,883,406	6,962,475

DEFERRED OUTFLOWS OF RESOURCES

Pension and OPEB related	\$2,685,599	\$1,184,627
--------------------------	-------------	-------------

LIABILITIES

Accounts payable	\$24,241	\$73,006
Salaries payable	51,820	70,142
Withholdings payable	1,971	
Federal revenue bonds payable	548,924	557,144
Interest payable	20,754	21,065
Compensated absences payable	66,930	63,507
Net pension liability	1,277,852	1,093,143
Net OPEB obligation	4,236,459	2,606,552
TOTAL LIABILITIES	6,228,951	4,484,559

DEFERRED INFLOWS OF RESOURCES

Pension and OPEB	445,928	581,153
------------------	---------	---------

NET POSITION

Invested in capital assets, net of related debt	3,323,577	3,530,012
Unrestricted	(429,451)	(448,622)
TOTAL NET POSITION	\$2,894,126	\$3,081,390

STATEMENT OF ACTIVITIES

	<u>2020</u>	<u>2019</u>
Public safety:		
Personal services	\$3,118,643	\$2,839,812
Operating services	648,335	472,808
Materials and supplies	218,233	238,862
Travel	29,345	38,729
Depreciation expense	271,121	315,640
Debt service interest	22,669	28,907
Total Program Expenses	<u>4,308,346</u>	<u>3,934,758</u>
Program revenues:		
Charges for services:		
Civil and criminal fees	122,398	164,505
Commissions on license and taxes	67,392	58,089
Court attendance	4,012	6,868
Transportation of prisoners	21,226	20,079
Bond fees	13,306	26,735
Accident reports	9,300	13,213
Total program revenues	<u>237,634</u>	<u>289,489</u>
Net Program Expenses	(4,070,712)	(3,645,269)
General revenues:		
Taxes:		
Ad valorem	871,535	859,060
Sales	2,479,819	2,467,926
Grants and contributions not restricted to specific programs:		
Federal sources	44,727	43,420
State sources	251,254	249,563
Local	67,057	83,128
Interest earned	12,415	12,064
Miscellaneous	141,048	215,139
Special items:		
Gain (loss) on disposal of assets	15,593	20,401
Change in Net Position	<u>(187,264)</u>	<u>305,432</u>
NET POSITION		
Beginning of year	<u>3,081,390</u>	<u>2,775,958</u>
End of year	<u>\$2,894,126</u>	<u>\$3,081,390</u>

Financial Analysis of the Government's Funds

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

As of June 30, 2020, combined governmental fund balances of \$2,932,873 showed an increase of \$200,702 over June 30, 2019.

General Fund Budgetary Highlights

There was no budget amendment for the current year.

Capital Asset and Debt Administration

Capital assets. The Union Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$3,872,501 net of accumulated depreciation). This investment includes vehicles, furniture, and equipment. The increase in capital assets for the year was \$56,466. There were decreases of \$59,799 during the current year.

Long-term debt. At the end of the fiscal year, Union Parish Sheriff had total debt outstanding of \$6,130,165 in the form of compensated absences of \$66,930, federal revenue bonds of \$548,924, and net OPEB obligation of \$4,236,459. The Union Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan. The liability associated with the Net Pension Obligation is \$1,277,852 at June 30, 2020.

Requests for Information

This financial report is designed to provide a general overview of the Union Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Union Parish Sheriff, P.O. Box 723, Farmerville, LA 71241.

BASIC FINANCIAL STATEMENTS

UNION PARISH SHERIFF
Farmerville, Louisiana

STATEMENT OF NET POSITION
June 30, 2020

ASSETS	
Cash and cash equivalents	\$2,702,667
Receivables	288,913
Prepays	18,154
Due from other funds	1,171
Capital assets (net of accumulated depreciation)	<u>3,872,501</u>
TOTAL ASSETS	<u>6,883,406</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension and OPEB related	<u>2,685,599</u>
LIABILITIES	
Accounts payable	24,241
Salaries payable	51,820
Withholdings payable	1,971
Interest payable	20,754
Federal Revenue Bonds:	
Due within one year	8,559
Due in more than one year	540,365
Compensated absences payable	66,930
Net pension liability	1,277,852
Net OPEB obligation	<u>4,236,459</u>
TOTAL LIABILITIES	<u>6,228,951</u>
DEFERRED INFLOWS OF RESOURCES	
Pension and OPEB related	<u>445,928</u>
NET POSITION	
Invested in capital assets, net of related debt	3,323,577
Unrestricted	<u>(429,451)</u>
TOTAL NET POSITION	<u><u>\$2,894,126</u></u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2020

Public safety:	
Personal services	\$3,118,643
Operating services	648,335
Materials and supplies	218,233
Travel	29,345
Depreciation expense	271,121
Debt service interest	22,669
Total Program Expenses	<u>4,308,346</u>
Program revenues:	
Charges for services:	
Civil and criminal fees	122,398
Commissions on license and taxes	67,392
Court attendance	4,012
Transportation of prisoners	21,226
Bond fees	13,306
Accident reports	9,300
Total program revenues	<u>237,634</u>
Net Program Expenses	<u>(4,070,712)</u>
General revenues:	
Taxes:	
Ad valorem	871,535
Sales	2,479,819
Grants and contributions not restricted to specific programs:	
Federal sources	44,727
State sources	251,254
Local	67,057
Interest earned	12,415
Miscellaneous	141,048
Special item -	
Gain (loss) on disposal of assets	<u>15,593</u>
Change in Net Position	<u>(187,264)</u>
NET POSITION	
Beginning of year	<u>3,081,390</u>
End of year	<u><u>\$2,894,126</u></u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND

Balance Sheet, June 30, 2020

	General Fund	Non Major Funds	Total
ASSETS			
Cash and cash equivalents	\$2,624,505	\$78,162	\$2,702,667
Receivables	288,913		288,913
Prepays	18,154		18,154
Due from other funds	1,171		1,171
TOTAL ASSETS	<u>\$2,932,743</u>	<u>\$78,162</u>	<u>\$3,010,905</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$24,241		\$24,241
Salaries payable	51,820		51,820
Withholdings payable	1,971		1,971
Total Liabilities	<u>78,032</u>	NONE	<u>78,032</u>
Fund equity:			
Restricted		\$78,162	78,162
Unassigned	2,854,711		2,854,711
Total fund equity	<u>2,854,711</u>	<u>78,162</u>	<u>2,932,873</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,932,743</u>	<u>\$78,162</u>	<u>\$3,010,905</u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended June30, 2020

Total Fund Balances at June 30, 2020 - Governmental Funds (Statement C)		\$2,932,873
Deferred outflows of resources		2,685,599
Cost of capital assets at June 30, 2020	\$6,624,683	
Less: Accumulated depreciation as of June 30, 2020	<u>(2,752,182)</u>	3,872,501
Long-term liabilities at June 30, 2020 -		
Compensated absences payable	(66,930)	
Revenue bonds payable	(548,924)	
Interest payable	(20,754)	
Net pension liability	(1,277,852)	
Net OPEB obligation	<u>(4,236,459)</u>	(6,150,919)
Deferred inflows of resources		<u>(445,928)</u>
Net Position at June 30, 2020 (Statement A)		<u>\$2,894,126</u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2020

	General Fund	Non Major Funds	TOTAL
REVENUES			
Taxes:			
Ad valorem	\$871,535		\$871,535
Sales	2,479,819		2,479,819
Intergovernmental revenues:			
Federal grants	44,727		44,727
State grants:			
State supplemental pay	138,373		138,373
State revenue sharing (net)	102,220		102,220
Other	10,661		10,661
Local grants	67,057		67,057
Fees, charges, and commissions for services:			
Civil and criminal fees	122,398		122,398
Commissions on licenses and taxes	67,392		67,392
Court attendance	4,012		4,012
Transportation of prisoners	21,226		21,226
Bond fees	13,306		13,306
Accident reports	9,300		9,300
Use of money and property	12,325	\$90	12,415
Other	26,613		26,613
Total revenues	<u>3,990,964</u>	<u>90</u>	<u>3,991,054</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	2,822,366		2,822,366
Operating services	648,335		648,335
Materials and supplies	218,233		218,233
Travel and other charges	29,345		29,345
Debt Service	31,200		31,200
Capital outlay	56,466		56,466
Total expenditures	<u>3,805,945</u>	<u>NONE</u>	<u>3,805,945</u>

(Continued)

Statement D

UNION PARISH SHERIFF
 Farmerville, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance

	General Fund	Non Major Funds	TOTAL
EXCESS OF REVENUES OVER EXPENDITURES	\$185,019	\$90	\$185,109
OTHER FINANCING SOURCE:			
Proceeds from insurance	15,593		15,593
Total other financing source	\$15,593	NONE	\$15,593
EXCESS OF REVENUES AND OTHER SOURCE OVER OVER EXPENDITURES	200,612	90	200,702
FUND BALANCE AT BEGINNING OF YEAR	2,654,099	78,072	2,732,171
FUND BALANCE AT END OF YEAR	\$2,854,711	\$78,162	\$2,932,873

(Concluded)

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2020

Total net change in fund balances - governmental funds (Statement D)	\$200,702
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period:	(214,655)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	311
Payments of long-term debt, including bonds, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	8,220
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(244,811)
In the Statement of Activities, certain operating expenses - compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(3,423)
Non-employer contributions to cost-sharing pension plan	114,435
Pension expense associated with cost-sharing pension plan	<u>(48,043)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$187,264)</u></u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana
Statement of Fiduciary Net Position
Agency Funds

June 30, 2020

	<u>TAX COLLECTOR FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>TOTAL</u>
ASSETS				
Cash and equivalents	\$59,722	\$53,955	\$151,815	\$265,492
Total Assets	<u>\$59,722</u>	<u>\$53,955</u>	<u>\$151,815</u>	<u>\$265,492</u>
LIABILITIES				
Unsettled deposits due to:				
Other funds		\$208	\$963	\$1,171
Others	\$59,722	53,747	150,852	264,321
Total Liabilities	<u>\$59,722</u>	<u>\$53,955</u>	<u>\$151,815</u>	<u>\$265,492</u>

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	<u>\$96,979</u>	<u>\$65,089</u>	<u>\$141,291</u>	<u>\$303,359</u>
ADDITIONS				
Deposits:				
Sheriff's sales		85,417		85,417
Fines and costs			470,976	470,976
Garnishments		116,840		116,840
Other additions		32,341		32,341
Taxes, fees, etc.,	<u>12,746,914</u>			<u>12,746,914</u>
Total additions	<u>12,746,914</u>	<u>234,598</u>	<u>470,976</u>	<u>13,452,488</u>
Total	<u>12,843,893</u>	<u>299,687</u>	<u>612,267</u>	<u>13,755,847</u>
REDUCTIONS				
Deposits settled to:				
Louisiana Forestry Commission	28,912			28,912
Louisiana Tax Commission	18,980			18,980
Union Parish:				
Sheriff's General Fund	987,599	95,995	64,276	1,147,870
Police Jury	3,102,039		14,743	3,116,782
School Board	5,255,081			5,255,081
Assessor	764,715			764,715
Clerk of Court	2,625	18,141	27,320	48,086
East Union Hospital	695,257			695,257
Tri-Ward Hospital	262,081			262,081
Ward Five Fire District	310,536			310,536
Spencer-West Sterlington Fire District	21,552			21,552
District 7 Fire District	128,755			128,755
District 1 Fire District	296,478			296,478
Northeast Union Fire District	78,268			78,268
North Union Fire District	35,551			35,551
Bernice Fire District	85,724			85,724
Spearsville Fire District	57,150			57,150
Sadie-Tiger Fire District	38,072			38,072
Municipalities			2,964	2,964
Pension funds	345,316			345,316

(Continued)

UNION PARISH SHERIFF
Farmerville, Louisiana
Statement of Changes in Fiduciary Net Position

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL	TOTAL
REDUCTIONS: (CONTD.)				
Deposits settled to: (Contd.)				
District attorney			\$73,341	\$73,341
Indigent defender board			55,468	55,468
LA Rehabilitation Service			1,364	1,364
Criminal court fund			99,085	99,085
Judicial district court			45,313	45,313
Litigants		\$110,888	16,900	127,788
North Louisiana Crime Lab			37,918	37,918
Louisiana Commission on Law Enforcement			8,744	8,744
Redemptions	\$26,810			26,810
Other reductions	242,670	20,916	13,979	277,565
Total reductions	<u>12,784,171</u>	<u>245,940</u>	<u>461,415</u>	<u>13,491,526</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u>\$59,722</u>	<u>\$53,747</u>	<u>\$150,852</u>	<u>\$264,321</u>

(Concluded)

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

The sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. Additionally, the sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

The accompanying financial statements of the Union Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The 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.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Union Parish Police Jury is the financial reporting entity for Union Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Union Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Union Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Union Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported in the Statement of Fiduciary Net Assets and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are prepared using 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). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Allocation of Indirect Expenses - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". 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. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

Governmental Fund Type

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the sheriff and is used to account for the operations of the sheriff's office. The various fees and charges due to the sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Fund Type - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. 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 differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. 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 due and payable. 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 normally collected in December, January, and February of the fiscal year.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

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

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the sheriff has cash and equivalents (book balances) totaling \$2,968,159 follows:

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Demand deposits	\$2,967,259
Petty cash	<u>900</u>
Total	<u>\$2,968,159</u>

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, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal 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. The Sheriff does not have a policy concerning custodial risk.

Cash and cash equivalents (bank balances) at June 30, 2020, are secured as follows:

Bank balances	<u>\$2,977,053</u>
Federal deposit insurance	\$549,905
Pledged securities (uncollateralized)	<u>3,530,408</u>
Total	<u>\$4,080,313</u>

F. SALES TAX

The voters of the parish approved the continuance of a ½ of one percent sales and use tax and to levy an additional ½ of one percent sales and use tax for ten (10) years, beginning April 1, 2002. This sales tax was renewed beginning April 1, 2012 for a period of ten (10) years. The proceeds of the sales tax are dedicated for the purpose of providing additional funding for the law enforcement district. The sheriff's office has entered into an agreement with the Lincoln Parish Sales and Use Tax Commission for collection of the tax. For its services, the tax commission receives one and one-eighths per cent (1-1/8%) of gross collections for the year ended June 30, 2020.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$1000 or more for capitalizing capital assets.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. VACATION AND SICK LEAVE

All employees are granted from one to two weeks of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is earned at a rate of eight hours per month, and may not be accumulated and carried forward to succeeding years.

I. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2020.

J. PENSION PLANS

The Union Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. 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. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed 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 borrowing 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 either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$2,854,711. If applicable, the Sheriff would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

L. INTERFUND TRANSACTIONS

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

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisitions of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

N. 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 estimates.

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

2. RECEIVABLES

The receivables of \$288,913 at June 30, 2020, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>
Taxes - Ad Valorem Tax	\$1,693
Taxes - Sales Tax	243,552
Federal grants	15,247
Local grants	16,000
Civil and criminal fees	6,401
Other	<u>6,020</u>
Total	<u><u>\$288,913</u></u>

3. ON-BEHALF PAYMENTS

Certain employees of the Union Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$138,373 and \$141,120 respectively. Amounts different due to pay dates and receivables and payables.

4. CHANGES IN CAPITAL ASSETS

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

Adjusted balance at June 30, 2019	\$6,628,016
Additions	56,466
Deletions	<u>(59,799)</u>
Balance at June 30, 2020	6,624,683
Less accumulated depreciation	<u>(\$2,752,182)</u>
Net Capital Assets	<u><u>\$3,872,501</u></u>

Depreciation expense of \$271,121 was charged to the public safety function

**5. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION
 FOR A COST-SHARING EMPLOYER**

The Sheriff contributes to the Sheriffs' Pension and Relief Fund (Fund) which is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of the sheriff's offices

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. Membership in the Fund is required for all eligible sheriffs and

deputies. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund, which can be obtained at www.lla.state.la.gov.

Summary of Significant Accounting Policies.

The Sheriffs' Pension and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Sheriffs' Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

Plan Fiduciary Net Position.

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Pension Amount Netting.

The deferred outflows and deferred inflows of resources attributable to differences between projected and actual earnings on pension plan investments recorded in different years are netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows are not presented on a net basis.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

Plan Description.

The Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Substantially all employees of the Union Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Plan Benefits

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 3.33 percent of their final-average compensation multiplied by his years of creditable service, not to exceed 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 a member whose first employment making him eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

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

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

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

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

Disability Benefits

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

Survivor Benefits

Survivor benefits for death 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 to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-three, if the child is a full time student in good standing enrolled at a board approved or accredited school, college, or university.

UNION PARISH SHERIFF
Farmerville, Louisiana
Notes to the Financial Statements (Continued)

Deferred Benefits:

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

Back Deferred Retirement Option Plan (Back-DROP)

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

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2020, the actual employer contribution rate was 12.25%.

In accordance with state statute, the Fund also receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contribution revenue for the year ended June 30, 2020 was \$114,435.

The Sheriff's contractually required composite contribution rate for the year ended June 30, 2019 was 12.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. The Union Parish Sheriff's contributions to the Fund for the years ended June 30, 2020 and 2019 were \$235,017 and \$231,526, respectively, equal to the required contributions for each year.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

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

For the years ending June 30, 2020 and 2019, the Sheriff reported a liability of \$1,277,852 and \$1,093,143, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs' proportion of the net pension liability was based on a projection of the Sheriffs' long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs', actuarially determined. At June 30, 2019, the Sheriffs' proportion was .2701 percent, which was an increase of .0149 from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$350,848. At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$244,811
Changes in assumptions	\$390,532	
Net difference between projected and actual earnings on pension plan	45,984	
Changes in employer's proportion of beginning NPL	26,731	170,511
Differences between employer and proportionate share of contributions	210	834
Sheriff contributions subsequent to the measurement date	235,017	
Total	\$698,474	\$416,156

\$235,017 reported as deferred outflows of resources related to pensions resulting from the Union Parish Sheriffs' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$58,998
2021	(83,195)
2022	13,480
2023	43,545
2024	14,473
Total	47,301

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2019
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.10%, net of investment expense
Discount Rate	7.10%
Projected salary increases	5.5% (2.50% inflation, 3.00% merit)
Mortality rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table
Expected remaining service lives	6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

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

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

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

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.

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

The long-term expected rate of return on pension plan investments was determined using a building block method.

Sensitivity of the Sheriffs' proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.10%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Sheriffs' proportionate share of the net pension liability	\$2,672,185	\$1,277,852	\$104,395

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Union Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Union 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) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit.*

Benefits Provided - Medical, dental and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical and dental coverage for the retiree only (not

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age, or age 55 and 12 years of service. For employees hired on or after January 1st, 2012, retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at age 55 or, age 62 and 12 years of service or, age 60 and 20 years of service.

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

Employees covered by benefit terms - At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	14
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>46</u>
Total employees	<u>60</u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$4,236,459 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

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

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior Discount rate	3.50%
Discount rate	2.21%
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 Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2020, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Changes in the Total OPEB Liability

Balance at June 30, 2019	\$2,606,552
Changes for the year:	
Service cost	50,807
Interest	92,118
Differences between expected and actual experience	523,659
Changes of assumptions	1,040,770
Benefit payments and net transfers	<u>(77,447)</u>
Net Changes	<u>1,629,907</u>
Balance at June 30, 2020	<u>\$4,236,459</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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1.0% Decrease (1.21%)	Current Discount Rate (2.21%)	1.0% Increase (3.21%)
<u>Total OPEB liability</u>	<u>\$5,075,633</u>	<u>\$4,236,459</u>	<u>\$3,581,397</u>

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 a discount rate that is 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current discount rate:

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
<u>Total OPEB liability</u>	<u>\$3,605,799</u>	<u>\$4,236,459</u>	<u>\$5,033,217</u>

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

For the year ended June 30, 2020, the Sheriff recognized OPEB expense of \$322,259. At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual expenditures	\$923,242	(\$29,771)
Changes in assumptions	1,063,882	
Total	<u>\$1,987,125</u>	<u>(\$29,771)</u>

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

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

Year ended June 30:	
2021	\$179,333
2022	179,333
2023	179,333
2024	179,333
2025	179,333
Thereafter	\$1,060,688

7. LONG TERM OBLIGATIONS

At June 30, 2020, the sheriff has an outstanding issue of federal long-term revenue bonds. In 2011 the sheriff sold a revenue bond to the United States Department of Agriculture, Farmers Home Administration. The issue dated July 22, 2011 was for \$600,000. The issue bears interest at 4.125 per cent per annum. Principal and interest are to be repaid in annual payments of \$31,200 through July 22, 2051. All long-term debt is to be repaid from the revenues derived from the operation of the civil and criminal divisions of the sheriffs office.

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

	Revenue Bonds	Compensated Absences	Total
Long-term obligations, June 30, 2019	\$557,144	\$63,506	\$620,650
Additions		52,339	52,339
Deletions	(8,220)	(49,426)	(57,646)
Adjustments		511	511
Long-term obligations, June 30, 2020	<u>\$548,924</u>	<u>\$66,930</u>	<u>\$615,854</u>

Revenue bonds payable at June 30, 2020, are comprised of the following individual issues:

\$600,000 - dated July 22, 2011. The principal is due in annual installments of \$31,200 July 22, 2051, with interest of 4.125 per cent. Debt retirement payments are made from the Sheriff's General Fund.

\$548,924

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

The annual requirements to amortize the revenue bonds outstanding at June 30, 2020 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$8,559	\$22,641	\$31,200
2021	8,913	22,287	31,200
2022	9,280	21,920	31,200
2023	9,663	21,537	31,200
2024	10,062	21,138	31,200
2025-2029	56,887	99,113	156,000
2030-2034	69,628	86,372	156,000
2035-2039	85,223	70,777	156,000
2040-2044	104,312	51,688	156,000
2045-2049	127,676	28,324	156,000
2050-2051	58,721	3,679	62,400
Total	<u>\$548,924</u>	<u>\$449,476</u>	<u>\$998,400</u>

8. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2020, are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$1,171	
Agency Funds:		
Civil Fund		\$208
Criminal Fund		963
Total	<u>\$1,171</u>	<u>\$1,171</u>

9. CHANGES IN AGENCY FUND BALANCES

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

	<u>Tax Collector Fund</u>	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Total</u>
Balance, July 1, 2019	\$96,979	\$65,089	\$141,291	\$303,359
Additions	12,746,914	234,598	470,976	13,452,488
Deletions	<u>(12,784,171)</u>	<u>(245,940)</u>	<u>(461,415)</u>	<u>(13,491,526)</u>
Balance, June 30, 2020	<u>\$59,722</u>	<u>\$53,747</u>	<u>\$150,852</u>	<u>\$264,321</u>

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

10. TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2020, the tax collector has cash and equivalents (book balances) totaling \$59,722 as follows:

Ad valorem taxes	\$20,766
Protest taxes	19,520
Interest on tax account	6
Interest on delinquent taxes	1,650
Interest on protest taxes	3,034
Redemptions	5,028
Costs	9,717
Due to general fund	<u>1</u>
Total	<u>\$59,722</u>

11. AD VALOREM TAXES COLLECTED

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2020, by taxing body as follows:

Louisiana Forestry Service	\$33,974
Louisiana Tax Commission	18,940
Union Parish Assessor	752,480
Union Parish Police Jury	2,794,920
Union Parish School Board	5,129,010
Union Parish Sheriff	863,008
East Union Hospital	682,500
Tri Ward Hospital	249,348
Ward 5 Fire District	305,664
Spencer-West Sterlington	15,160
District 7 Fire District	127,279
District 1 Fire District	295,404
Northeast Union Fire District	78,265
North Union Fire District	35,428
Bernice Fire District	85,331
Spearsville Fire District	56,838
Sadie-Tiger Bend Fire District	<u>38,239</u>
Total	<u>\$11,561,788</u>

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

12. TAX UNCOLLECTED AND UNSETTLED

The tax collector has not collected and disbursed the following taxes for the year ended June 30, 2020, by taxing body as follows:

Louisiana Forestry Service	\$26
Union Parish Assessor	10,989
Union Parish Police Jury	42,231
Union Parish School Board	77,501
Union Parish Sheriff	12,605
East Union Hospital	11,502
Tri Ward Hospital	1,492
Ward 5 Fire District	968
Spencer/West Sterlington	320
District 7 Fire District	4,644
District 1 Fire District	2,195
Northeast Union Fire District	7,352
North Union Fire District	76
Bernice Fire District	311
Spearsville Fire District	742
Sadie-Tiger Fire District	487
Total	<u>\$173,441</u>

The majority of uncollected taxes consist of gas and oil wells and moveable property. The Sheriff has hired an outside firm to collect outstanding taxes. There are also several assessments that have been determined to be 'no property found', but the assessor has not removed it from the tax roll. There are uncollected taxes consisting of property that the tax collector was not allowed to sell due to the COVID 19 virus. Once the governor allows the tax collector to have a tax sale, the tax collector will hold a tax sale and sell the property.

13. OCCUPATIONAL LICENSES COLLECTED

At June 30, 2020, the tax collector has collected and disbursed the following:

	Total Collections	Collection Cost	Final Distribution
Union Parish Police Jury	<u>\$11,258</u>	<u>\$1,688</u>	<u>\$9,570</u>

The sheriff's office is no longer collecting the occupational licenses. The police jury has started collecting occupational license fees.

14. LITIGATION AND CLAIMS

The Union Parish Sheriff is not involved in any litigation at June 30, 2020, nor is he aware of any unasserted claims.

**15. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The Union Parish Sheriff's office is located in a building outside of the courthouse. The cost of maintaining and operating the sheriff's office is paid by the Union Parish Sheriff's office. The Union Parish Police Jury donated the land for the site of the sheriff's office.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

UNION PARISH SHERIFF
Farmerville, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2020

	ORIGINAL/FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes:			
Ad valorem	\$855,000	\$871,535	\$16,535
Sales	2,350,000	2,479,819	129,819
Intergovernmental revenues:			
Federal grants - federal revenue		44,727	44,727
State grants:			
State supplemental pay	160,000	138,373	(21,627)
State revenue sharing (net)	100,695	102,220	1,525
Other state grants	8,720	10,661	1,941
Local grant	64,000	67,057	3,057
Fees, charges, and commissions for services:			
Civil and criminal fees	143,000	122,398	(20,602)
Commissions on licenses and taxes	18,500	67,392	48,892
Court attendance	2,000	4,012	2,012
Transportation of prisoners	10,000	21,226	11,226
Bond fees	16,000	13,306	(2,694)
Accident reports	14,000	9,300	(4,700)
Other fees	1,000		(1,000)
Use of money and property	1,000	12,325	11,325
Other revenue	10,000	26,613	16,613
Total revenues	<u>3,753,915</u>	<u>3,990,964</u>	<u>237,049</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and benefits	3,118,506	2,822,366	296,140
Operating services	528,600	648,335	(119,735)
Materials and supplies	271,200	218,233	52,967
Travel and other charges	41,890	29,345	12,545
Debt service	31,200	31,200	
Capital outlay	161,500	56,466	105,034
Total expenditures	<u>4,152,896</u>	<u>3,805,945</u>	<u>346,951</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(398,981)</u>	<u>185,019</u>	<u>584,000</u>

(Continued)

UNION PARISH SHERIFF
 Farmerville, Louisiana
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND

	<u>ORIGINAL/FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES-			
Proceeds from disposal of assets	\$25,000		(\$25,000)
Proceeds from insurance	<u>15,000</u>	<u>15,593</u>	<u>593</u>
Total financing sources	<u>40,000</u>	<u>15,593</u>	<u>(24,407)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(358,981)	200,612	559,593
FUND BALANCES AT BEGINNING OF YEAR	<u>1,275,799</u>	<u>2,654,099</u>	<u>1,378,300</u>
FUND BALANCES AT END OF YEAR	<u>\$916,818</u>	<u>\$2,854,711</u>	<u>\$1,937,893</u>

(Concluded)

See independent auditor's report and the related notes to the financial statements.

UNION PARISH SHERIFF
Farmerville, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2020

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Union Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is 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.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts. There were no budget amendments for the current audit period.

Union Parish Sheriff
 Schedule of Changes in Net OPEB Liability and Related Ratios
 FYE June 30, 2020

Total OPEB Liability	<u>2018</u>	<u>2019</u>	<u>2020</u>
Service cost	\$69,653	\$34,057	\$50,807
Interest	77,967	76,754	92,118
Changes of benefits terms	NONE	NONE	NONE
Differences between expected and actual experience	(33,493)	489,612	523,659
Changes of assumptions	NONE	137,789	1,040,770
Benefit payments	<u>(92,837)</u>	<u>(97,943)</u>	<u>(77,447)</u>
Net change in total OPEB liability	21,290	640,269	1,629,907
Total OPEB liability - beginning	<u>1,944,993</u>	<u>1,966,283</u>	<u>2,606,552</u>
Total OPEB liability - ending	<u><u>\$1,966,283</u></u>	<u><u>\$2,606,552</u></u>	<u><u>\$4,236,459</u></u>
Covered employee payroll	\$989,684	\$1,019,375	\$1,604,537
Net OPEB liability as a percentage of covered-employee payroll	198.68%	255.70%	264.03%
<i>Benefit Changes</i>	None	None	None
<i>Changes in Assumptions:</i>			
<i>Discount Rate:</i>	3.87%	3.50%	2.21%
<i>Mortality:</i>	RP-2000	RP-2000	RP-2014
<i>Trend:</i>	5.50%	5.50%	Variable

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

See independent auditor's report and the related notes to the financial statements.

Union Parish Sheriff
Schedule of Employer's Share of Net Pension Liability
June 30, 2020

Fiscal Year *	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer'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
2014	0.304057%	\$1,204,067	\$2,120,709	56.78%	87.34%
2015	0.331117%	\$1,475,960	\$2,204,600	66.95%	86.61%
2016	0.313717%	\$1,991,129	\$2,142,581	92.93%	82.09%
2017	0.294745%	\$1,276,327	\$2,040,628	62.55%	88.49%
2018	0.285070%	\$1,093,143	\$1,962,804	55.69%	90.41%
2019	0.270146%	\$1,277,852	\$1,890,011	67.61%	88.91%

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

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

See independent auditor's report and the related notes to the financial statements.

Union Parish Sheriff
Schedule of Employer Contributions to Pension
June 30, 2020

Fiscal Year *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2014	\$294,556	\$294,556	\$0	\$2,120,709	13.89%
2015	\$314,156	\$314,156	\$0	\$2,204,600	14.25%
2016	\$294,605	\$294,605	\$0	\$2,142,581	13.75%
2017	\$270,383	\$270,383	\$0	\$2,040,628	13.25%
2018	\$250,257	\$250,257	\$0	\$1,962,804	12.75%
2019	\$231,526	\$231,526	\$0	\$1,890,011	12.25%

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

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

See independent auditor's report and the related notes to the financial statements.

STATE OF LOUISIANA

PARISH OF UNION

**AFFIDAVIT
DUSTY J. GATES, SHERIFF OF UNION PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, DUSTY J. GATES, SHERIFF OF UNION PARISH, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$59,722 is the amount of cash on hand in the tax collector account on June, 30, 2020.

He further deposed and said:

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

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



DUSTY J. GATES, SHERIFF
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 28th day of August, 2020, in my office in Farmerville, Louisiana.



MARLA CALTON, NOTARY PUBLIC #157684
UNION PARISH, LOUISIANA

OTHER SUPPLEMENTARY INFORMATION

PART III

UNION PARISH SHERIFF
Farmerville, Louisiana

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

DUSTY GATES, SHERIFF

PURPOSE	AMOUNT
Salary	\$150,597
Expense Allowance	15,060
Benefits-insurance	10,781
Benefits-retirement	37,273
Benefits-other	2,402
Cellphone	727
Registration fees	50
Housing and lodging	873
Membership dues - other	80
Membership dues-Sheriffs Association	12,695

See independent auditor's report.

UNION PARISH SHERIFF
Farmerville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 2020

NON MAJOR FUNDS

STATE CONSTRUCTION FUND

The State Construction Fund was used for the cost of construction of the law enforcement building with proceeds from Facilities Planning and Control grants.

USDA CONTINGENCY RESERVE FUND

The USDA Contingency Reserve Fund may be used for unusual or extraordinary maintenance, repairs, replacements, and extensions and for the cost of improvements to the building.

USDA DEBT SERVICE FUND

This fund is used to pay bond principal and interest as they become due.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Balance Sheet, June 30, 2020

	<u>State Construction Fund</u>	<u>USDA Contingency Reserve</u>	<u>USDA Debt Service Fund</u>	<u>TOTAL</u>
ASSETS				
Cash	\$7,599	\$35,283	\$35,280	\$78,162
TOTAL ASSETS	<u>\$7,599</u>	<u>\$35,283</u>	<u>\$35,280</u>	<u>\$78,162</u>
FUND EQUITY				
Fund Equity - Restricted	\$7,599	\$35,283	\$35,280	\$78,162
TOTAL FUND EQUITY	<u>\$7,599</u>	<u>\$35,283</u>	<u>\$35,280</u>	<u>\$78,162</u>

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances
For the Year Ended June 30, 2020

	State Construction Fund	USDA Contingency Reserve	USDA Debt Service Fund	TOTAL
REVENUES				
Use of money and property	NONE	\$45	\$45	\$90
EXPENDITURES				
Operating services	NONE	NONE	NONE	NONE
EXCESS OF REVENUES OVER EXPENDITURES	NONE	45	45	90
FUND BALANCES AT BEGINNING OF YEAR	\$7,599	35,238	35,235	78,072
FUND BALANCES AT END OF YEAR	\$7,599	\$35,283	\$35,280	\$78,162

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* , issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

UNION PARISH SHERIFF
Farmerville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, the fiduciary funds, and the aggregate remaining fund information of the Union Parish Sheriff, a component unit of the Union Parish Police Jury, as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Union Parish Sheriff's basic financial statements, and have issued my report thereon dated August 28, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, I do not express an opinion on the effectiveness of the Sheriff's internal control.

A deficiency in internal control exist 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 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

UNION PARISH SHERIFF

Farmerville, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2020

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Union Parish Sheriff's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Union Parish Sheriff'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 Union Parish Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana

August 28, 2020

UNION PARISH SHERIFF
Farmerville, Louisiana

Schedule of Findings and Responses
For the Year Ended June 30, 2020

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Union Parish Sheriff.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Sheriff is reported in the Auditor's Report on Compliance and Internal Control Over Financial Reporting.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

UNION PARISH SHERIFF
Farmerville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2020

There were no audit findings reported in the audit for the year ended June 30, 2019.