

ALLEN PARISH SHERIFF
OBERLIN, LOUISIANA

ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

As of and for the Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Honorable Douglas L. Hebert, III
Allen Parish Sheriff
Oberlin, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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 governmental activities, each major fund, and the aggregate remaining fund information of the Allen Parish Sheriff, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 42 through 45, schedule of changes to total OPEB liability and related ratios on page 46, and the schedule of employers' share of net pension liabilities, and the schedule of employer contributions on pages 47 and 48 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 management'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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Allen Parish Sheriff's basic financial statements. The Combining Statement of Fiduciary Net Position-Agency Funds, Combining Statement of Changes in Assets and Liabilities-Agency Funds, Community Grant Agreement-Coushatta Tribe of Louisiana, Affidavit -Tax Collector Fund, and Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. . The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as is also not a required part of the basic financial statements.

The Combining Statement of Fiduciary Net Position-Agency Funds, Combining Statement of Changes in Assets and Liabilities-Agency Funds, Community Grant Agreement-Coushatta Tribe of Louisiana, Affidavit -Tax Collector Fund, and Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Combining Statement of Fiduciary Net Position-Agency Funds, Combining Statement of Changes in Assets and Liabilities-Agency Funds, Community Grant Agreement-Coushatta Tribe of Louisiana, Affidavit -Tax Collector Fund, and Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated March 29, 2021, on my consideration of the Allen 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 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 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 Allen Parish Sheriff's internal control over financial reporting and compliance.

Steven M. DeRouen & Associates

Lake Charles, Louisiana
March 29, 2021

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Statement of Net Position-Governmental Activities
June 30, 2020

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash - Interest bearing and non-interest bearing	\$ 2,781,153
Receivables	149,374
Prepaid assets	17,067
Due from other governmental units	1,719,363
Capital assets:	
Land	106,328
Depreciable assets, net	15,425,614
TOTAL ASSETS	<u>20,198,899</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>2,815,284</u>
LIABILITIES	
Accounts and other accrued payables	407,099
Interest payable	40,874
Long-term liabilities:	
Due within one year	210,000
Due in more than one year	9,295,000
Net pension liability	2,437,042
OPEB obligation	7,979,584
TOTAL LIABILITIES	<u>20,369,599</u>
DEFERRED INFLOWS OF RESOURCES	<u>466,888</u>
NET POSITION	
Net investment in capital assets	6,026,942
Restricted:	
Public safety	1,513,543
Debt service	9,028
Capital outlay	165
Unrestricted (deficit)	(5,371,982)
TOTAL NET POSITION	<u>\$ 2,177,696</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Statement of Activities
For the Year Ended June 30, 2020

FUNCTIONS/ PROGRAMS	Expenses	Program Revenues			Governmental Activities
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Primary Government:					
Governmental activities:					
Public safety	\$ 9,804,821	\$ 3,935,379	\$ 1,630,061	\$ 104,970	\$ (4,134,411)
Interest on long-term debt	497,140	-	-	98,552	(398,588)
Total governmental activities	<u>\$ 10,301,961</u>	<u>\$ 3,935,379</u>	<u>\$ 1,630,061</u>	<u>\$ 203,522</u>	<u>\$ (4,532,999)</u>
GENERAL REVENUES					
Taxes:					
Ad valorem, levied for general purposes					\$ 2,033,176
Sales and use					2,695,097
Local sources-Allen Parish Police Jury					240,000
State revenue sharing					129,844
Interest and investment earnings					26,040
Total General Revenues					<u>5,124,157</u>
CHANGE IN NET POSITION					591,158
NET POSITION-BEGINNING					1,586,538
NET POSITION-ENDING					<u>\$ 2,177,696</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTIONS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

E-911 Special Revenue Fund

The E-911 Special Revenue Fund was established for the purpose of maintaining and operating the enhanced 911 emergency telephone system for the parish.

Coushatta Tribe of Louisiana Community Grant Fund

The Coushatta Tribe of Louisiana Community Grant Fund was established to account for the receipt and disbursement of grant revenue received from the Coushatta Tribe of Louisiana.

DEBT SERVICE FUND

The Debt Service Fund accounts for transactions relating to resources retained and used for the payment of principal and interest on long-term obligations.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Balance Sheet, Governmental Funds
June 30, 2020

	General Fund	E-911 Fund	Coushatta Tribe of Louisiana Community Grant Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS						
Cash - Interest bearing	\$ 2,251,648	\$ 247,217	\$ 273,095	\$ 9,028	\$ 165	\$ 2,781,153
Receivables:						
Due from other governmental units	1,719,363	-	-	-	-	1,719,363
Due from other funds	47,314	-	-	-	-	47,314
Other	-	39,002	110,372	-	-	149,374
TOTAL ASSETS	\$ 4,018,325	\$ 286,219	\$ 383,467	\$ 9,028	\$ 165	\$ 4,697,204
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 117,484	\$ -	\$ -	\$ -	\$ -	\$ 117,484
Accrued payroll liabilities	289,615	-	-	-	-	289,615
Due to other funds	-	47,314	-	-	-	47,314
Total Liabilities	407,099	47,314	-	-	-	454,413
Deferred inflows of resources:						
Unavailable revenue	10,391	-	-	-	-	10,391
Total Deferred Inflows of Resources	10,391	-	-	-	-	10,391
Fund balances:						
Restricted:						
Public safety	891,171	238,905	383,467	-	-	1,513,543
Debt service	-	-	-	9,028	-	9,028
Capital Outlay	-	-	-	-	165	165
Unassigned	2,709,664	-	-	-	-	2,709,664
Total Fund Balances	3,600,835	238,905	383,467	9,028	165	4,232,400
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 4,018,325	\$ 286,219	\$ 383,467	\$ 9,028	\$ 165	\$ 4,697,204

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
June 30, 2020

TOTAL FUND BALANCE FOR GOVERNMENTAL FUNDS AT JUNE 30, 2020		\$ 4,232,400
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets, net of accumulated depreciation		15,531,942
Certain insurance costs which are reported as expenditures in the year incurred in the governmental funds will benefit future periods and are recorded as prepaid insurance on the statement of net position.		
		17,067
Certain property tax revenue receivable that will not be collected within 60 days of year end are not considered available in the governmental funds.		
		10,391
Certain liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities are reported in the statement of net position.		
Accrued interest payable	\$ (40,874)	
Deferred outflows of resources - pension	1,748,234	
Deferred inflows of resources - pension	(466,888)	
Net pension liability	(2,437,042)	
Deferred outflows of resources - OPEB	1,067,050	
OPEB obligation	(7,979,584)	
Revenue bonds payable	(9,505,000)	(17,614,104)
		<u> </u>
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES AT JUNE 30, 2020		<u>\$ 2,177,696</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	GENERAL FUND	E-911 FUND	COUSHATTA TRIBE OF LOUISIANA COMMUNITY GRANT FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes:						
Ad valorem taxes	\$ 2,023,191	\$ -	\$ -	\$ -	\$ -	\$ 2,023,191
Sales taxes	2,695,097	-	-	-	-	2,695,097
Intergovernmental revenues -						
Federal grants	930,358	-	-	-	-	930,358
State grants	138,591	-	-	-	-	138,591
State revenue sharing	129,844	-	-	-	-	129,844
State supplemental pay	244,923	-	-	-	-	244,923
Local sources	102,603	-	417,108	240,000	-	759,711
Fees, charges and commissions for services:						
Civil and criminal fees	199,292	-	-	-	-	199,292
Court attendance	10,268	-	-	-	-	10,268
E-911 revenue	-	311,486	-	-	-	311,486
Feeding and keeping prisoners	2,800,786	-	-	-	-	2,800,786
Transporting prisoners	111,929	-	-	-	-	111,929
Other	405,509	-	-	-	-	405,509
Fines and forfeitures	96,109	-	-	-	-	96,109
Interest	25,872	114	22	26	6	26,040
TOTAL REVENUES	9,914,372	311,600	417,130	240,026	6	10,883,134
EXPENDITURES						
Current -						
Public safety:						
Personal services and related benefits	6,339,375	-	-	-	-	6,339,375
Operating services	300,342	229,940	-	-	-	530,282
Operations and maintenance	1,464,422	-	-	-	-	1,464,422
Intergovernmental transfer - APPJ	513	-	-	-	-	513
Capital outlay	109,737	-	-	-	29,471	139,208
Debt service:						
Principal	-	-	-	200,000	-	200,000
Interest	-	-	-	497,745	-	497,745
TOTAL EXPENDITURES	8,214,389	229,940	-	697,745	29,471	9,171,545
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,699,983	81,660	417,130	(457,719)	(29,465)	1,711,589
OTHER FINANCING SOURCES (USES)						
Operating transfers in	213,586	-	-	459,292	28,000	700,878
Operating transfers out	(388,740)	-	(312,138)	-	-	(700,878)
TOTAL OTHER FINANCING SOURCES (USES)	(175,154)	-	(312,138)	459,292	28,000	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,524,829	81,660	104,992	1,573	(1,465)	1,711,589
FUND BALANCES, BEGINNING	2,076,006	157,245	278,475	7,455	1,630	2,520,811
FUND BALANCES, ENDING	\$ 3,600,835	\$ 238,905	\$ 383,467	\$ 9,028	\$ 165	\$ 4,232,400

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF

Oberlin, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

NET CHANGE IN FUND BALANCE-TOTAL
GOVERNMENTAL FUNDS \$ 1,711,589

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

Governmental funds report capital outlays as expenditures,
however, in the statement of activities the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense. This is the amount by
which capital outlay exceeded depreciation expense:

Capital outlay	\$ 103,615	
Depreciation expense	<u>(793,795)</u>	(690,180)

In the statement of activities some expenses do not require
the use of current financial resources and therefore are not
reported as expenditures in the governmental funds.

OPEB obligations exceed the prior year obligations		(615,608)
Current year accrued interest payable is less than the prior year payable		605
Principal payments		200,000

Certain retirement benefit expenses reported in the Statement of Activities do
do not require the use of current financial resources and therefore are not
reported as expenditures in the governmental funds.

(7,390)

Certain property tax revenues receivable will not be collected
for several months after year end are not considered
available in the governmental funds.

9,985

The governmental funds report certain expenditures when paid, where the
statement of activities record expenditures in the period benefited as follows:

Prepaid lease expense		(16,477)
Prepaid insurance		<u>(1,366)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 591,158

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 502,889
Due from others	4,083
Total assets	<u>\$ 506,972</u>
LIABILITIES	
Due to others	\$ 13,384
Due to taxing bodies and others	493,588
Total liabilities	<u>\$ 506,972</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2020

INTRODUCTION

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

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

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

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

The accounting and reporting policies of the Allen Parish Sheriff (Sheriff) conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, *Audits of State and Local Governmental Units*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent.

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

B. Basis of Presentation

The accompanying financial statements of the Allen Parish Sheriff have been prepared in conformity with generally accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statement (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

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

Fund Financial Statements (FFS)

The accounts of the Sheriff are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistently with legal and managerial requirements.

The various funds of the Sheriff are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Sheriff reports the following governmental funds:

General Fund – is the primary operating fund of the Sheriff and it accounts for all financial resources except those that are required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Sheriff's policy.

E-911 Special Revenue Fund-The E-911 Special Revenue Fund was established for the purpose of maintaining and operating the enhanced 911 emergency telephone system for the parish. The Sheriff signed an intergovernmental agreement with the Allen Parish Police Jury on October 31, 1997 and assumed responsibility for the operation of the Allen Parish enhanced 911 services. Revenue to operate the service comes from a telephone service charge on local telephone service supplied within the parish.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Coushatta Tribe of Louisiana Community Grant Fund - The Coushatta Tribe of Louisiana Community Grant Fund was established to account for the receipt and disbursement of grant revenue received from the Coushatta Tribe of Louisiana.

The Debt Service Fund accounts for transactions relating to resources retained and used for the payment of principal and interest on long-term obligations.

Capital Projects Fund is used to account for resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections), the welfare of inmates in the parish jail, and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. The agency funds use the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

The amounts reflected in the governmental 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. Property taxes, sales taxes, and interest are considered to be susceptible to accrual. 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.

The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus/Basis of Accounting (Continued)

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gain, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

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

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures

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

Unearned Revenues

Unearned revenues arise when resources are received by the Sheriff before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the Sheriff has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and the revenue is recognized.

Other Financing Sources

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budget Practices

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

1. Formal budgeting is employed as a management control device during the year for the general and special revenue funds. These budgets are adopted on a basis consistent with generally accepted accounting principles.
2. The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
3. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
4. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
5. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Any budgetary amendments must be approved by the Sheriff and are published in the official journal. Budget amounts included in the accompanying financial statements include the original adopted budget and the final amendment, if any.

E. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

F. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

G. Prepaid Expenditures

Payments made to vendors for services that will benefit periods beyond June 30, 2020 are recorded as prepaid items. The prepaid items that existed at June 30, 2020 consisted of insurance and vehicle lease payments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Short-Term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical 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 \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	25-40 years
Equipment and furniture	5-12 years
Vehicles	5 years

J. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

K. Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists of revenue bonds payable and capital leases payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

L. Compensated Absences

After six months of service, employees of the Sheriff's office are granted from one to three weeks of non-cumulative vacation leave annually. Sick leave is granted at the discretion of the Sheriff. At June 30, 2020, the Sheriff had no vested leave benefits required to be reported in accordance with generally accepted accounting principles.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Equity Classifications

Government-wide statements –

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be 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.
3. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

When both restricted and unrestricted resources are available for use it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

As of June 30, 2020, the Sheriff had \$1,522,736 in restricted net position for public safety, debt service, and capital outlay.

Fund financial statements –

Governmental fund equity is classified as fund balance. As such, fund balance of the governmental funds are classified as follows:

1. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. Committed - amounts that can be used only for the specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority. Commitments cannot be used for any other purpose unless the same action/person that established them decides to modify or remove them.
4. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Amounts can only be assigned by the Sheriff.
5. Unassigned – all other spendable amounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Equity Classifications (Continued)

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in its commitment or assignment actions.

As of June 30, 2020, the Sheriff did not have any non-spendable, assigned, or committed fund balances. The Sheriff had a restricted fund balance in the general fund of \$891,171 for public safety, a restricted fund balance in the E-911 fund of \$238,905 for public safety, a restricted fund balance in the Coushatta Tribe of Louisiana Community Grant Fund of \$383,467 for public safety, a restricted fund balance in the Debt Service Fund of \$9,028 for debt service, and a restricted fund balance in the Capital Projects Fund of \$165 for capital outlay.

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.

O. 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.

P. 1% Sales and Use Tax

Proceeds of the 1% sales tax and use tax levied by the Sheriff can be used for most operational expenditures. This tax does not expire.

2. CASH AND INVESTMENTS

Custodial credit risk is the risk that in the event of a bank failure, the Sheriff's deposits may not be returned to it.

In accordance with a fiscal agency agreement that is approved by the Allen Parish Sheriff, the Sheriff maintains demand and time deposits through local depository banks that are members of the Federal Reserve System.

Interest rate risk. The Sheriff does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of credit risk. The Sheriff places no limit on the amount the Sheriff may invest in any one issuer. The Sheriff does not have a policy for custodial credit risk.

ALLEN PARISH SHERIFF

Oberlin, Louisiana

Notes to the Financial Statements (Continued)

2. CASH AND INVESTMENTS (Continued)

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the Sheriff has deposits with financial institutions (book balances) totaling \$3,284,042 as follows:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Interest bearing deposits	\$ 2,781,153	\$ 429,175	\$ 3,210,328
Demand deposits	-	73,714	73,714
	<u>\$ 2,781,153</u>	<u>\$ 502,889</u>	<u>\$ 3,284,042</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held by the pledging financial institution’s trust department or agent, in the District’s name.

Deposit balances (collected bank balances) at June 30, 2020 are secured as follows:

At June 30, 2020, the Sheriff has \$3,314,198 in deposits (collected bank balances). These deposits are secured from risk by \$750,000 of federal deposit insurance and \$665,053 of pledged securities held by the pledging financial institution’s trust department or agent, in the Districts name. The Sheriff had \$2,080,451 in unsecured deposits as of June 30, 2020.

3. AD VALOREM TAXES

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff by November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. The taxes are based on assessed values determined by the Tax Assessor of Allen Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for pension fund contributions.

The Sheriff has authorized and levied an ad valorem tax of 17.35 mills.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

4. RECEIVABLES

Due From Other Governmental Units

Amounts due from other governmental units at June 30, 2020 consist of the following:

	<u>General Fund</u>
Grants	\$ 891,171
State supplemental pay	20,437
Salary agreement with the Allen Parish District Attorney	9,441
Fees, charges, and commissions for services:	
Civil and criminal fees	13,542
Feeding and keeping prisoners	227,588
Ad valorem taxes	29,916
Sales taxes	514,122
Miscellaneous	13,146
Total	<u>\$ 1,719,363</u>

Other Receivables

Other receivables at June 30, 2020 are as follows:

Telephone commission – E-911 Special Revenue Fund	\$ 39,002
Local source – Coushatta Tribe Community Grant Fund	110,372
Total	<u>\$ 149,374</u>

All receivables are deemed fully collectible, and accordingly, no allowance has been provided.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

5. CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2020 follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 106,328	\$ -	\$ -	\$ 106,328
Construction in progress-jail	-	-	-	-
Total capital assets not being depreciated	<u>\$ 106,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,328</u>
Capital assets being depreciated				
Buildings and improvements	\$ 16,176,733	\$ -	\$ -	\$ 16,176,733
Office equipment and furniture	2,605,842	60,215	-	2,666,057
Vehicles	1,568,224	43,400	-	1,611,624
Total capital assets being depreciated	<u>\$ 20,350,799</u>	<u>\$ 103,615</u>	<u>\$ -</u>	<u>\$ 20,454,414</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (1,426,033)	\$ (408,709)	\$ -	\$ (1,834,742)
Office equipment and furniture	(1,712,146)	(208,714)	-	(1,920,860)
Vehicles	(1,096,826)	(176,372)	-	(1,273,198)
Total accumulated depreciation	<u>\$ (4,235,005)</u>	<u>\$ (793,795)</u>	<u>\$ -</u>	<u>\$ (5,028,800)</u>

Depreciation expense, which includes amortization expense for capital leases, of \$793,795 for the year was charged to public safety. Major additions include the jail expansion, jail related equipment and sheriff vehicles.

6. OPERATING LEASE

The Sheriff currently leases five vehicles used for officer transportation under five non-cancelable operating lease agreements. Three lease agreements began November 9, 2017, February 3, 2020 and February 7, 2020 and are each for a term of four years. One lease agreement began May 29, 2018 and is for a term of five years. The monthly fees for the leases are \$422.28, \$408.63, \$588.13, \$342.76 and \$768.60, respectively. The total lease expense for the year ended June 30, 2020 totaled \$25,228. The following is a schedule of the future minimum lease payments due to others under these lease agreements.

Year ending June 30,	
2021	\$ 30,365
2022	26,987
2023	25,297
2024	9,376
Total	<u>\$ 92,025</u>

7. LONG-TERM OBLIGATIONS

The Sheriff's long-term obligations include debt issues for the purpose of constructing a new jail and later expanding the jail are attributable to governmental activities. Also, the purchase of cameras via capital lease is also attributable to governmental activities. The following is a summary of changes in long-term obligations for the year ended June 30, 2020.

	Revenue Bonds
Long-term obligations at beginning of year	\$ 9,705,000
Additions	-
Reductions	(200,000)
Long-term obligations at end of year	<u>\$ 9,505,000</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of the revenue bonds payable as of June 30, 2020:

	Revenue Bonds
Current portion	\$ 210,000
Long-term portion	9,295,000
Total	<u>\$ 9,505,000</u>

The Sheriff issued \$5,500,000 in Revenue Bonds, Series 2013, during the fiscal year ending June 30, 2015. These bonds were issued for the purpose of constructing a new jail in Allen Parish. The revenue bonds are to be retired from the payments from the Allen Parish Police Jury agreed to in the cooperative endeavor agreement with the Sheriff and the Allen Parish Law Enforcement District and from funds derived from the Coshatta Tribe of Louisiana Community Grant. The revenue bonds are secured by and payable from a pledge and dedication of the ad valorem taxes received by the Sheriff, the Coshatta Tribe of Louisiana Community Grant, and the cooperative endeavor agreement with the Allen Parish Police Jury. In the event of a default, the Sheriff agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the Sheriff under this Agreement.

The Sheriff issued \$5,000,000 in Revenue Bonds, Series 2017, during the fiscal year ending June 30, 2018. These bonds were issued for the purpose of expanding the jail in Allen Parish. The revenue bonds are to be retired from receipts derived from facilities owned and operated by the Allen Parish Sheriff's Office and the Coshatta Tribe of Louisiana Community Grant. The revenue bonds are secured by and payable from a pledge of revenues derived from the facility, sinking bank account balances, dedication of the ad valorem taxes received by the Sheriff, the Coshatta Tribe of Louisiana Community Grant and mortgage on the facility and land. In the event of a default, the Sheriff agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the Sheriff under this Agreement.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

7. LONG-TERM OBLIGATIONS (Continued)

The Sheriff had bonds outstanding at June 30, 2020 totaling \$9,505,000 which solely consisted of revenue bonds with maturities from 2020 to 2047 and interest rates from 0.10% to 6.00%. The individual issues are as follows:

Bond	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding
Revenue Bond Series 2013	\$ 5,500,000	.10 % - 5.40%	6/1/2043	\$ 3,098,542	\$ 4,675,000
Revenue Bond Series 2017	\$ 5,000,000	5.00% - 6.00%	6/1/2047	\$ 4,956,068	\$ 4,830,000

At June 30, 2020, the Sheriff has accumulated \$9,028 in the debt service funds for future debt requirements. The long-term debt represented by the revenue bonds are due as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 210,000	\$ 490,483	\$ 700,483
2022	220,000	482,463	702,463
2023	225,000	473,816	698,816
2024	235,000	464,636	699,636
2025	245,000	454,840	699,840
2026 - 2030	1,395,000	2,103,723	3,498,723
2031 - 2035	1,765,000	1,739,624	3,504,624
2036 - 2040	2,275,000	1,232,475	3,507,475
2041 - 2045	2,270,000	552,250	2,822,250
2046 - 2047	665,000	60,300	725,300
Total	<u>9,505,000</u>	<u>8,054,610</u>	<u>17,559,610</u>

The revenue bond agreement contains various requirements relating to reserves, sinking funds, etc. The Sheriff met all requirements for the year ended June 30, 2020.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

8. PENSION PLAN

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

Plan description: Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of Sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a publicly available financial report that may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

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

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

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

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

For a member whose first employment making him eligible for membership in the system began after June 30, 2006, and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the 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.

Deferred retirement 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.

8. PENSION PLAN (CONTINUED)

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 members' 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.

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's benefits: Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

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

8. PENSION PLAN (CONTINUED)

Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2020, the actual employer contribution rate was 12.25% with an additional 0.0% allocated from the Funding Deposit Account.

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$218,244 and excluded from pension expense for the year ended June 30, 2020.

Employer allocations: The schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required projected employer contributions are used to determine the proportionate relationship of each employer to all employers of Sheriffs' Pension and Relief Fund. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year. The employers' projected contribution effort was actuarially determined by the Fund's actuary, G.S. Curran & Company.

The employers' projected contribution effort was calculated by multiplying the projected future compensation of active members in the Fund on June 30, 2019, by the next fiscal year's employers' actuarially required contribution rate. Compensation was determined as follows: 1) Actual earned compensation for active members enrolled in the Fund the entire fiscal year, plus 2) Annualized compensation for active members on June 30, 2019, enrolled in the Fund for a portion of the fiscal year. Annualized compensation was calculated using actual compensation and the employee's date of hire.

The payroll factor was actuarially determined using salary assumptions for expected net changes in active members plus expected new hires and their payroll over the next fiscal year.

Pension liabilities, Pension expense, Deferred outflows of resources, and Deferred inflows of resources related to pensions: At June 30, 2020, the Sheriff reported a liability of \$2,437,042 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2019, the Sheriff's proportion was .5714444%, which was an increase of .498750% from its proportion measured as of June 30, 2018.

As of June 30, 2020, the contractually required contributions to the pension plan payable at year end totaled \$508,623. These amounts are remitted monthly for the previous month and are equal to 12.25% of the employees' salary.

8. PENSION PLAN (CONTINUED)

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$796,149 less employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

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

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	87,698	\$ 466,888
Net difference between projected and actual earnings on pension plan investments	-	-
Change in assumption	744,794	-
Change in proportion	407,119	-
Employer contributions made subsequent to measurement date	508,623	-
Total	\$ 1,748,234	\$ 466,888

Deferred outflows of resources of \$508,623 related to pensions resulting from the Sheriff’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 262,267
2022	23,998
2023	208,370
2024	220,285
2025	57,803
	<u>\$ 772,723</u>

Contributions–proportionate share: Differences between contributions remitted to the Fund and the employer’s proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the Fund and contributions reported by the participating employer.

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

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

8. PENSION PLAN (CONTINUED)

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.

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

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Expected Remaining Service Lives	6 years
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	RP-2000 Combined Health with Clue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table
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.

Discount rate: The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers 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 are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

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

8. PENSION PLAN (CONTINUED)

Sensitivity of the employer’s proportionate share of the net pension liability to changes in the discount rate: The following presents the Employer’s proportionate share of the Net Pension Liability using the discount rate of 7.10%, as well as what the Employer’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.10%) or one percentage-point higher (8.10%) than the current rate:

	Change 1% Decrease	In Discount Current	Rate 1% Increase
	<u>6.10%</u>	<u>7.10%</u>	<u>8.10%</u>
Net Pension Liability	\$ 5,096,228	\$ 2,437,042	\$ 199,095

Change in net pension liability: The changes in the net pension liability for the year ended June 30, 2020 were recognized in the current reporting period except as follows:

- a. Differences between expected and actual experience: Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual resulted in a deferred inflow of resources in the amount of \$466,888 and deferred outflow of resources of \$87,698 for the year ended June 30, 2020.
- b. Differences between projected and actual investment earnings: Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The differences between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of \$-0- for the year ended June 30, 2020.
- c. Changes of assumptions or other inputs: Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$744,794 or the year ended June 30, 2020.
- d. Change in proportion: Changes in employer’s proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in the employer’s pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The change in proportion resulted in a deferred outflow of resources in the amount of \$407,119 for the year ended June 30, 2020.

9. DEFERRED COMPENSATION PLAN

The Sheriff offers membership in the State of Louisiana, Public Employees Deferred Compensation Plan, a qualified retirement plan under section 457 of the Internal Revenue Code administered by Great West Life and Annuity Insurance Company.

The Louisiana Deferred Compensation Plan provides state, parish and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction. Participants defer federal and state income tax on their contributions. In addition, interest or earnings on the account accumulates tax-deferred. Participants may join the plan with as little as \$10 per pay period, \$20 per month, and contribute up to 100% of taxable compensation, not to exceed \$19,500 for the year ended June 30, 2020. The Sheriff does not match any contributions to this plan. Employee contributions for the year ended June 30, 2020 were \$20,015.

The Plan is administered by Great-West Life and Annuity Insurance Company; 2237 South Acadian Thruway Suite 702; Baton Rouge, LA 70808; (800)937-7604 or (225)926-8086.

10. CHANGES IN AGENCY FUND BALANCES

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

	Balance		Balance	
	June 30, 2019	Additions	Reductions	June 30, 2020
Agency funds:				
Sheriff's Fund	\$ 396,364	\$ 1,149,261	\$ 1,150,598	\$ 395,027
Tax Collector Fund	16,682	18,701,640	18,629,175	89,147
Inmate Welfare Fund	12,294	365,520	368,400	9,414
Total	<u>\$ 425,340</u>	<u>\$ 20,216,421</u>	<u>\$ 20,148,173</u>	<u>\$ 493,588</u>

11. LITIGATION & CLAIMS

As of June 30, 2020, there were outstanding suits seeking damages against the Sheriff. Although the outcome of these suits is not presently determinable, the opinion of the Sheriff and legal counsel is that resolution of this matter would not create a liability in excess of insurance coverage that would have a material adverse effect on the financial condition of the Sheriff.

12. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE ALLEN PARISH POLICE JURY

Part of the Sheriff's office is located in the parish courthouse and parish jail. The Allen Parish Police Jury, as required by statute, pays the cost of maintaining and operating the parish courthouse and the parish jail. These expenditures are not included in the accompanying basic financial statements.

13. RISK MANAGEMENT

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

14. POST RETIREMENT BENEFITS OTHER THAN PENSION

The adoption date for the new GASB 75 OPEB accounting standard was for Fiscal Year beginning July 1, 2017. The standard sets the method for determining the Sheriff's Total and Net OPEB Liability. Changes in benefit terms are recognized immediately. Changes in assumptions and experience gains/losses are amortized over the average remaining service of active employees and inactive participants. Investment gains/losses are amortized over five years.

14. POST RETIREMENT BENEFITS OTHER THAN PENSION (CONTINUED)

Plan Description- The Sheriff contributes to a single-employer defined benefit health care plan (“the Retiree Health Plan”). The plan provides certain healthcare and life insurance benefits for eligible retirees and their spouses through the Sheriff’s group health insurance plan, which covers both active and retired members. Pursuant to LA Revised Statute 33:1448(G), the Sheriff is required to pay 100% of the premiums on group health insurance and the first \$10,000 of life insurance for any deputy who, upon retirement, has attained the age of 55 with at least 15 years of service or has retired with 30 years of service at any age or has 10 years of service at age 60. Retirees may choose to continue coverage for their spouse at the retiree’s expense. The Sheriff has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

Funding Policy- The monthly premiums for the retiree are paid by the Sheriff. The Sheriff recognizes the cost of providing these benefits as expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis and assets are not accumulated in a trust to pay related benefits. The Sheriff retains an obligation for benefits in the event of the insurance company’s insolvency.

Actuarial Methods and Assumptions

The Total OPEB Liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Method	Individual Entry Age Normal Cost Method – Level Percentage of Projected Salary.
Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan’s benefit formula. This allocation is based on each participant’s service between date of hire and date of expected termination.
Total OPEB Liability	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.
Discount Rate	2.21% (-0.29% real rate of return plus 2.50% inflation)

14. POST RETIREMENT BENEFITS OTHER THAN PENSION (CONTINUED)

Average Per Capita Claim Cost:

Age	Medical
55	9,353
56	9,633
57	9,922
58	10,220
59	10,527
60	10,842
61	11,168
62	11,503
63	11,848
64	12,203

The annual per capita medical cost for age 65 and older is the annualized Medical supplement premium of \$4,747,52. The annual per capital dental/vision cost is a level \$209.64.

Health Care Cost Trend	Level 4.50% for medical and level 2.00% for dental/vision.
Mortality	RP-2014 Total Table with Projection MP-2019
Turnover	Rates varying by year of service. Sample rates: YOS=3 YOS=8 YOS=13 12.00% 6.00% 2.50%
Disability	None assumed
Retirement Rates	Rates vary by age from 55 to 65 with 100% retirement rate assumed at age 65 and above.
Retiree Contributions	Retirees hired prior to July 1, 2015 do not contribute for individual coverages. Retirees hired after that date contribute based on the years of service at retirement. The retiree pays the full contribution for any elected dependent coverage.

OPEB Plan – Number of Employees Covered

Inactive employees currently receiving benefit payments	23
Inactive employees entitled to but not yet receiving benefit payments	-0-
Active employees	<u>90</u>
Total	<u>113</u>

14. POST RETIREMENT BENEFITS OTHER THAN PENSION (CONTINUED)

Changes in Total OPEB Liability

Balance at June 30, 2019	\$ 6,296,926
Changes for the year:	
Service cost	403,199
Interest	256,634
Differences between expected and actual experience	13,766
Changes in assumptions/inputs	1,180,769
Changes in benefit terms	-
Benefit payments	(171,710)
Administrative expense	-
Net changes	<u>1,682,658</u>
Balance at June 30, 2020	<u>\$ 7,979,584</u>

Sensitivity of the Total OPEB Liability

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 or 1-percentage point higher than the current discount rate.

	1% Decrease	No Change	1% Increase
Discount rate	<u>1.21%</u>	<u>2.21%</u>	<u>3.21%</u>
	\$ 6,654,955	\$ 7,979,584	\$ 9,698,434
Healthcare cost trend rates	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
	\$ 6,780,330	\$ 7,979,584	\$ 9,618,654

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

OPEB Expense	
Service cost	\$ 403,199
Interest on liabilities	256,634
Differences between expected and actual experience	1,469
Changes in assumptions/inputs	126,016
Change in benefit terms	-
Total OPEB Expense	<u>\$ 787,318</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,297	\$ -
Changes in Assumptions/Inputs	\$ 1,054,753	-
Total	<u>\$ 1,067,050</u>	<u>\$ -</u>

ALLEN PARISH SHERIFF
 Oberlin, Louisiana
 Notes to the Financial Statements (Continued)

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

Year Ended June 30:	
2021	\$ 127,485
2022	\$ 127,485
2023	\$ 127,485
2024	\$ 127,485
2025	\$ 127,485
Thereafter	\$ 429,625

15. SUBSEQUENT EVENT REVIEW

The Sheriff has evaluated subsequent events through the date of the audit report, the date which the financial statements were available to be issued.

16. REPORTING REQUIREMENTS FOR WIRELESS E911 SERVICE

In accordance with LRS (R.S.) 33:9101 through 9131 the Sheriff reports the following required information:

- Total emergency telephone service charges collected for the year were \$311,486.
- Radio and computer equipment purchases totaled \$11,675.
- Status of the implementation of the wireless E911 system – Phase I and II have been completed as of June 30, 2015.

17. COMMITMENT

On April 19, 2013 the Sheriff entered into a cooperative endeavor agreement with the Allen Parish Police Jury and the Allen Parish Law Enforcement District for the housing of parish inmates and the construction and operation of a new facility to replace the current jail owned by the police jury. The police jury shall pay a maximum annual fee of \$240,000 or a minimum annual fee representing the actual payment amount which the District owes in regard to the new facility. The fee shall be paid by the police jury beginning in the fiscal year in which construction begins. Once the District’s loan obligations are paid off, the police jury no longer will be required to make any payments to the District. The police jury will then have the right to lease said facility for a term of 99 years for \$1 and other valuable considerations. Construction began during 2014 and was completed in 2016. Also, included in the cooperate endeavor agreement with the Allen Parish Police Jury is the provision to split all profits made from the housing of state, local, or federal prisoners on a 50/50 basis. During fiscal year ending June 30, 2020, the Sheriff made payments to the Allen Parish Police Jury in the amount of \$513 resulting from the housing of U.S. Immigration and Customs Enforcement (ICE) inmates.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

18. EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at the end of the year was \$89,147.

1. The amount of taxes collected for the current year is as follows:

<u>Taxing Authority</u>	<u>Taxes Collected</u>
Allen Parish Ambulance Service District No. 1	\$ 497,351
Fire Protection District No. 2	121,878
Fire Protection District No. 3	60,945
Fire Protection District No. 4	178,319
Fire Protection District No. 5	214,181
Fire Protection District No. 6	544,807
Bayou Blue Gravity Drainage District No. 1	136,252
Kinder Gravity Drainage District No. 2	80,326
Allen Parish Hospital Service District	792,952
Allen Parish Library	1,269,246
Allen Parish Mosquito Abatement District	939,312
Allen Parish Police Jury	3,888,211
Recreation District No. 1 (Oakdale)	170,832
Recreation District No. 2 (Kinder)	138,987
Recreation District No. 3 (Elizabeth)	25,758
Recreation District No. 5 (Oberlin)	59,166
Recreation District No. 6 (Reeves)	241,283
Allen Parish School Board	5,769,010
Allen Parish Sheriff	2,037,133
Allen Parish Tax Assessor	616,424
Jefferson Davis Parish School Board	73,893
Louisiana Department of Agriculture & Forestry	21,253
Louisiana Tax Commission	11,741
Totals	<u>\$ 17,889,260</u>

2. The amount of taxes assessed and uncollected is as follows:

<u>Taxing Authority</u>	<u>Taxes Uncollected</u>
Allen Parish Ambulance Service District No. 1	\$ 3,591
Fire Protection District No. 2	1,202
Fire Protection District No. 3	103
Fire Protection District No. 4	1,259
Fire Protection District No. 5	1,228
Fire Protection District No. 6	183
Bayou Blue Gravity Drainage District No. 1	476
Kinder Gravity Drainage District No. 2	665
Allen Parish Hospital Service District	5,725
Allen Parish Library	8,954
Allen Parish Mosquito Abatement District	6,627
Allen Parish Police Jury	27,172
Recreation District No. 1 (Oakdale)	1,309
Recreation District No. 2 (Kinder)	907
Recreation District No. 3 (Elizabeth)	89
Recreation District No. 5 (Oberlin)	339
Recreation District No. 6 (Reeves)	2,380
Allen Parish School Board	39,581
Allen Parish Sheriff	14,371
Allen Parish Tax Assessor	4,349
Jefferson Davis Parish School Board	197
Louisiana Department of Agriculture & Forestry	9
Totals	<u>\$ 120,716</u>

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

Approximately 0.7% of the total tax levied has yet to be collected. Reasons for not collecting include:

- Adjudications
- Bankruptcies
- NSF payments
- Dual assessments
- Assessments under review
- Insufficient notice on tax sale
- Businesses closed
- Pending court cases

19. OCCUPATIONAL LICENSES COLLECTED

Collections settled during the year for occupational licenses and beer/liquor licenses are as follows:

	Collected	Collection Cost	Settled	Unsettled
Allen Parish Police Jury- Occupational	\$ 125,332	\$ (18,800)	\$ (104,102)	\$ 2,430
Beer/liquor	500	(75)	(425)	-
Allen Parish Sheriff- Commission	-	18,875	(18,510)	365
Total	\$ 125,832	\$ -	\$ (123,037)	\$ 2,795

20. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

As of June 30, 2020 the Sheriff had deferred outflows of resources in the government-wide financial statements totaling \$2,815,284 and deferred inflows of resources in the government-wide financial statements totaling \$466,888. See Note 8 and Note 14 for additional disclosures.

Unavailable revenues are reported in governmental funds and represent revenue received more than 60 days following year end (and, therefore, unavailable to pay liabilities of the current period). Unavailable revenue received after 60 days is fully recognized as revenue in the government-wide financial statements. As of June 30, 2020, governmental funds' revenues that have been earned but are unavailable are \$10,391.

21. DISTRIBUTION OF STATE REVENUE SHARING FUNDS

Collections settled during the year for state revenue sharing funds are as follows:

	Collected	Settled	Unsettled
Allen Parish School Board	\$ 87,327	\$ 87,327	\$ -
Allen Parish Police Jury	178,036	178,036	-
Allen Parish Sheriff	129,844	129,844	-
Allen Parish Library	67,620	67,620	-
Recreation District No. 3 (Elizabeth)	2,311	2,311	-
Recreation District No. 1 (Oakdale)	3,028	3,028	-
Allen Parish Tax Assessor	24,333	24,333	-
Jefferson Davis Parish School Board	2,118	2,118	-
Pension Funds	9,468	9,468	-
	\$ 504,085	\$ 504,085	\$ -

REQUIRED SUPPLEMENTARY INFORMATION

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Budgetary Comparison Schedule-General Fund
For the Year Ended June 30, 2020

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Ad valorem taxes	\$ 2,000,000	\$ 2,030,000	\$ 2,023,191	\$ (6,809)
Sales taxes	2,600,000	2,526,000	2,695,097	169,097
Intergovernmental revenues -				
Federal grants	90,000	111,750	930,358	818,608
State grants	90,000	111,750	138,591	26,841
State revenue sharing	130,000	129,845	129,844	(1)
State supplemental pay	240,000	242,485	244,923	2,438
Local sources	245,000	210,200	102,603	(107,597)
Fees, charges, and commissions for services:				
Civil and criminal fees	350,000	327,000	199,292	(127,708)
Court attendance	11,500	10,000	10,268	268
Feeding and keeping prisoners	3,285,000	2,769,000	2,800,786	31,786
Transporting prisoners	26,000	25,500	111,929	86,429
Fines and forfeitures	12,000	-	96,109	96,109
Other	157,500	164,500	405,509	241,009
Interest earnings	55,000	22,000	25,872	3,872
TOTAL REVENUES	<u>9,292,000</u>	<u>8,680,030</u>	<u>9,914,372</u>	<u>1,234,342</u>
EXPENDITURES				
Current -				
Public safety:				
Personal services and related benefits	6,290,587	6,511,998	6,339,375	172,623
Operating services	340,000	299,774	300,342	(568)
Operations and maintenance	1,241,400	1,479,522	1,456,814	22,708
Travel and other charges	14,000	8,440	7,608	832
Intergovernmental transfer - APPJ	100,000	513	513	-
Capital outlays	218,000	252,903	109,737	143,166
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	<u>8,203,987</u>	<u>8,553,150</u>	<u>8,214,389</u>	<u>338,761</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>1,088,013</u>	<u>126,880</u>	<u>1,699,983</u>	<u>1,573,103</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	200,000	213,586	213,586	-
Operating transfers out	(360,740)	(433,740)	(388,740)	45,000
Proceeds from sale of fixed assets	10,000	-	-	-
Total other financing sources (uses)	<u>(150,740)</u>	<u>(220,154)</u>	<u>(175,154)</u>	<u>45,000</u>
NET CHANGE IN FUND BALANCE	<u>937,273</u>	<u>(93,274)</u>	<u>1,524,829</u>	<u>1,618,103</u>
FUND BALANCE, BEGINNING	<u>2,076,006</u>	<u>2,076,006</u>	<u>2,076,006</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,013,279</u>	<u>\$ 1,982,732</u>	<u>\$ 3,600,835</u>	<u>\$ 1,618,103</u>

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
GENERAL FUND EXPENDITURES
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
Current				
Public safety:				
Personal services and related benefits:				
Sheriff salary	\$ 160,337	\$ 165,868	\$ 165,656	\$ 212
Deputies' salary	4,288,000	4,013,895	4,188,548	(174,653)
Hospitalization and life insurance	850,000	955,817	974,683	(18,866)
Pension, deferred compensation, and payroll taxes	992,250	1,376,418	1,010,488	365,930
TOTAL PERSONAL SERVICES AND RELATED BENEFITS	<u>6,290,587</u>	<u>6,511,998</u>	<u>6,339,375</u>	<u>172,623</u>
Operating services:				
Auto insurance	95,000	71,961	70,611	1,350
Collection expense - sales tax	65,000	52,500	53,903	(1,403)
Other liability insurance	100,000	103,871	103,120	751
Building insurance	40,000	36,042	36,042	-
Professional fees	40,000	35,400	36,666	(1,266)
TOTAL OPERATING SERVICES	<u>340,000</u>	<u>299,774</u>	<u>300,342</u>	<u>(568)</u>
Operations and maintenance:				
Auto fuel and oil	175,000	155,000	145,718	9,282
Auto maintenance	70,000	57,000	59,174	(2,174)
Contract labor	75,000	114,250	124,433	(10,183)
Criminal investigation expenditures	25,000	14,089	5,670	8,419
Deputy supplies	39,000	29,750	20,908	8,842
Dues and subscriptions	28,000	22,100	21,553	547
Juvenile	7,500	4,711	4,710	1
Office supplies	207,000	187,381	180,743	6,638
Prisoner feeding and maintenance	275,000	528,000	513,357	14,643
Radio operation and maintenance	28,500	27,000	41,357	(14,357)
Tax notices	12,000	14,989	14,989	-
Telephone	70,000	70,833	72,553	(1,720)
Training	8,000	8,894	2,738	6,156
Repairs and maintenance	45,000	85,000	83,104	1,896
Utilities	150,000	141,000	145,170	(4,170)
Other	26,400	19,525	20,637	(1,112)
TOTAL OPERATIONS AND MAINTENANCE	<u>1,241,400</u>	<u>1,479,522</u>	<u>1,456,814</u>	<u>22,708</u>
Travel	<u>14,000</u>	<u>8,440</u>	<u>7,608</u>	<u>832</u>
Intergovernmental transfer - APPJ	<u>100,000</u>	<u>513</u>	<u>513</u>	<u>-</u>
TOTAL INTERGOVERNMENTAL TRANSFER	<u>100,000</u>	<u>513</u>	<u>513</u>	<u>-</u>
Capital Outlays:				
Equipment and automobiles	<u>218,000</u>	<u>252,903</u>	<u>109,737</u>	<u>143,166</u>
TOTAL CAPITAL OUTLAYS	<u>218,000</u>	<u>252,903</u>	<u>109,737</u>	<u>143,166</u>
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL DEBT SERVICES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 8,203,987</u>	<u>\$ 8,553,150</u>	<u>\$ 8,214,389</u>	<u>\$ 338,761</u>

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
E-911 SPECIAL REVENUE FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Commissions - telephone	\$ 300,000	\$ 330,601	\$ 311,486	\$ (19,115)
Interest income	-	-	114	114
TOTAL REVENUES	300,000	330,601	311,600	(19,001)
EXPENDITURES				
Current -				
Public safety:				
Operating services	295,000	320,591	229,940	90,651
Operations and maintenance	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	295,000	320,591	229,940	90,651
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,000	10,010	81,660	71,650
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	5,000	10,010	81,660	71,650
FUND BALANCE, BEGINNING	157,245	157,245	157,245	-
FUND BALANCE, ENDING	\$ 162,245	\$ 167,255	\$ 238,905	\$ 71,650

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
COUSHATTA TRIBE OF LOUISIANA COMMUNITY GRANT FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Grant revenue	\$ 390,000	\$ 404,920	\$ 417,108	\$ 12,188
Interest income	-	-	22	22
TOTAL REVENUES	390,000	404,920	417,130	12,210
EXPENDITURES				
Current -				
Capital outlay	20,000	-	-	-
TOTAL EXPENDITURES	20,000	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	370,000	404,920	417,130	12,210
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(306,003)	(312,138)	(312,138)	-
Total other financing sources (uses)	(306,003)	(312,138)	(312,138)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	63,997	92,782	104,992	12,210
FUND BALANCE, BEGINNING	278,475	278,475	278,475	-
FUND BALANCE, ENDING	\$ 342,472	\$ 371,257	\$ 383,467	\$ 12,210

See Independent Auditor's Report.

ALLEN PARISH SHERIFF

Oberlin, Louisiana

Schedule of Changes to Total OPEB Liability and Related Ratios

For the Year Ended June 30, 2020

Total OPEB Liability	2018	2019	2020	2021	2022
Service Cost	\$ 388,139	\$ 403,199	\$ 403,199		
Interest	220,805	223,137	256,634		
Changes in benefit terms	-	-	-		
Differences between expected and actual	-	-	13,766		
Changes in assumptions or other inputs	-	-	1,180,769		
Benefit payments	(160,702)	(160,702)	(171,710)		
Net Change in Total OPEB Liability	<u>448,242</u>	<u>465,634</u>	<u>1,682,658</u>		
Total OPEB Liability - beginning	<u>5,383,050</u>	<u>5,831,292</u>	<u>6,296,926</u>		
Total OPEB Liability - ending	<u><u>5,831,292</u></u>	<u><u>6,296,926</u></u>	<u><u>7,979,584</u></u>		
Covered Employee Payroll	\$ 2,733,557	\$ 2,817,725	\$ 3,191,716		
Total OPEB Liability as a percentage of covered employee payroll	213.32%	223.48%	250.01%		
Discount Rate	3.88%	3.88%	2.21%		

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

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2020

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.356529%	\$ 1,411,857	\$ 2,487,829	56.75%	87.34%
2016	0.375229%	\$ 1,672,590	\$ 2,738,487	61.08%	86.61%
2017	0.402352%	\$ 2,553,686	\$ 3,331,611	76.65%	82.09%
2018	0.479018%	\$ 2,074,279	\$ 2,749,100	75.45%	88.48%
2019	0.498750%	\$ 1,912,531	\$ 3,576,172	53.48%	90.41%
2020	0.571444%	\$ 2,437,042	\$ 5,240,171	46.51%	88.91%

* The amounts presented have a measurement date of the previous fiscal year end.

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

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Schedule of Employer Contributions
For the Year Ended June 30, 2020

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	\$ 354,253	\$ 354,253	\$ -	\$ 2,487,829	14.25%
2016	\$ 354,516	\$ 393,674	\$ (39,158)	\$ 2,738,487	14.38%
2017	\$ 377,832	\$ 445,318	\$ (67,486)	\$ 3,331,611	13.37%
2018	\$ 350,510	\$ 437,677	\$ (87,167)	\$ 2,749,100	15.92%
2019	\$ 438,081	\$ 441,022	\$ (2,941)	\$ 3,576,172	12.33%
2020	\$ 508,623	\$ 508,623	\$ -	\$ 4,142,933	12.28%

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

See Independent Auditor's Report.

Allen Parish Sheriff
Oberlin, Louisiana
Notes to the Required Supplementary Information
For the Year Ended June 30, 2020

(1) Budgets

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

1. The chief financial officer prepares a proposed budget for the general and special revenue funds and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff.

(2) Pension Plan

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

(3) Health Plan

Benefit Changes- There were no changes of benefit terms for the year ended June 30, 2020.

Changes of Assumptions- There were no changes of assumptions for the year ended June 30, 2020. A discount rate of 2.21% was used in 2020.

OTHER SUPPLEMENTARY INFORMATION

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

<u>Program Title</u>	<u>CFDA Number</u>	<u>Program Receipts</u>	<u>Program Expenses</u>
U. S. Department of Treasury Passed-through program:			
State of Louisiana, Department of Treasury			
Coronavirus Relief Fund	21.019 *	<u>\$ 849,929</u>	<u>\$ 849,929</u>
Total federal assistance		<u><u>\$ 849,929</u></u>	<u><u>\$ 849,929</u></u>

*** Programs considered major.**

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Allen Parish Sheriff and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements contained by Title 2 of U. S. Code of Federal Regulations Part 200, Uniform Requirements, Cost Principles, and Requirements for Federal Awards (Uniform Guidance). The amounts presented in this schedule do not differ from the amounts presented in, or used in the preparation of the financial statements.

The Organization has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Allen Parish Sheriff
Oberlin, Louisiana

General Descriptions

AGENCY FUNDS

SHERIFF'S FUND

To account for funds held in connection with civil suits, Sheriff's sales and garnishments, bonds and fines, and costs and payment of the collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

TAX COLLECTOR FUND

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

INMATE WELFARE FUND

The Inmate Welfare Fund accounts for receipts and disbursements made to the individual prison inmate accounts.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
AGENCY FUNDS
Combining Statement of Fiduciary Net Position
June 30, 2020

	SHERIFF'S FUND	TAX COLLECTOR FUND	INMATE WELFARE FUND	TOTAL
ASSETS				
Cash	\$ 395,027	\$ 89,147	\$ 18,715	\$ 502,889
Due from others	-	-	4,083	4,083
TOTAL ASSETS	395,027	89,147	22,798	506,972
LIABILITIES				
Due to others	-	-	13,384	13,384
Due to taxing bodies and others	395,027	89,147	9,414	493,588
TOTAL LIABILITIES	\$ 395,027	\$ 89,147	\$ 22,798	\$ 506,972

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
AGENCY FUNDS
Combining Statement of Changes in Assets and Liabilities
June 30, 2020

	SHERIFF'S FUND	TAX COLLECTOR FUND	INMATE WELFARE FUND	TOTAL
Balances, beginning of year	\$ 396,364	\$ 16,682	\$ 12,294	\$ 425,340
Additions:				
Deposits -				
Sheriff's sales, suits, and seizures	276,772	-	-	276,772
Fines and costs	872,354	-	-	872,354
Inmates	-	-	365,400	365,400
Taxes, fees, etc., paid to tax collector	-	18,697,495	-	18,697,495
Other additions	135	-	120	255
TOTAL ADDITIONS	<u>1,149,261</u>	<u>18,697,495</u>	<u>365,520</u>	<u>20,212,276</u>
TOTAL	<u>1,545,625</u>	<u>18,714,177</u>	<u>377,814</u>	<u>20,637,616</u>
Reductions:				
Taxes, fees, etc., distributed to taxing bodies and others	-	12,661,239	-	12,661,239
Deposits settled to -				
State agencies	22,991	11,738	-	34,729
Sheriff's General Fund	376,934	2,050,432	-	2,427,366
Clerk of Court	69,740	1,575	-	71,315
Coroner	2,384	-	-	2,384
Police Jury	200,196	3,874,817	-	4,075,013
District Attorney	96,462	-	-	96,462
Judicial Expense Fund	33,968	-	-	33,968
Indigent Defender Fund	94,306	-	-	94,306
Litigants and attorneys	193,363	-	-	193,363
Inmates	-	-	368,320	368,320
Other reductions	60,254	25,229	80	85,563
TOTAL REDUCTIONS	<u>1,150,598</u>	<u>18,625,030</u>	<u>368,400</u>	<u>20,144,028</u>
Balances, end of year	<u>\$ 395,027</u>	<u>\$ 89,147</u>	<u>\$ 9,414</u>	<u>\$ 493,588</u>

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
Supplemental Information Schedule
Community Grant Agreement-Coushatta Tribe of Louisiana
For the Year Ended June 30, 2020

<u>Revenues:</u>	
Gaming revenue	\$ 417,108
Investment earnings	22
Total revenues	<u>417,130</u>
<u>Expenditures:</u>	
Transfer to General Fund- correctional employee salaries and jail maintenance	213,586
Transfer to Debt Service Fund- revenue bond interest payment	98,552
Total expenditures	<u>\$ 312,138</u>

See Independent Auditor's Report.

ALLEN PARISH SHERIFF
 Schedule of Compensation, Benefits and Other Payments to Agency Head
 or Chief Executive Officer
 For the Year Ended June 30, 2020

Agency Head Name: _____

Douglas L. Hebert, III

Purpose	Amount
Salary	\$ 149,147
Benefits-insurance	9,779
Benefits-retirement	22,373
Benefits-other (Section 414 H 2)	18,720
Expense account	16,509
Vehicle provided by government	-
Per diem	201
Reimbursements	-
Travel	878
Registration fees	275
Conference travel	436
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

See Independent Auditor's Report.

STATE OF LOUISIANA,

PARISH OF ALLEN.

**AFFIDAVIT
DOUGLAS L. HEBERT, III, SHERIFF OF ALLEN PARISH**

BEFORE ME, the undersigned authority, personally came and appeared DOUGLAS L. HEBERT, III, the sheriff of Allen Parish, Louisiana, who after being duly sworn, deposed and said:

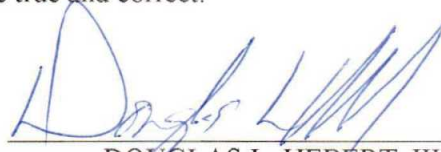
The following information is true and correct:

\$89,147 is the amount of cash on hand in the tax collector bank accounts on June 30, 2020.

HE FURTHER deposed and said:


All itemized statements of the amount of taxes collected for tax year 2020, 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.



DOUGLAS L. HEBERT, III
SHERIFF OF ALLEN PARISH, LOUISIANA

SWORN TO AND SUBSCRIBED, before me, Notary, this 11th day of January, 2021, in my office in Oberlin, Allen Parish, Louisiana.



(Signature)

Lynda L. Hamilton #37444

Notary Public

My Commission Expires: With death

INTERNAL CONTROL, COMPLIANCE, AND OTHER INFORMATION

STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants

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

Honorable Douglas L. Hebert, III
Allen Parish Sheriff
Oberlin, 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, each major fund, and the aggregate remaining fund information of the Allen Parish Sheriff as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Allen Parish Sheriff's basic financial statements and have issued my report thereon dated March 29, 2021.

Internal Control Over Financial Reporting

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

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

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 were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that I consider to be significant deficiencies. See items 2020-001 and 2020-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Allen 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 two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. See 2020-003 and 2020-004.

Allen Parish Sheriff's Response to Findings

The Allen Parish Sheriff's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. The Allen Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

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 of the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Steven M. DeRouen & Associates

Lake Charles, Louisiana
March 29, 2021

STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants

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

Honorable Douglas L. Hebert, III
Allen Parish Sheriff
Oberlin, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Steven M. DeRouen & Associates

Lake Charles, Louisiana
March 29, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued				Unmodified
Internal control over financial reporting:				
Material weaknesses identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant deficiency identified not considered to be material weaknesses?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	None reported
Noncompliance material to financial statements noted?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No

Federal Awards

Internal control over major programs:				
Material weaknesses identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant deficiency identified not considered to be material weaknesses?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	None reported
Type of auditor's report issued on compliance for major programs:				Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
21.019	U.S. Department of Treasury Passed Through the State of Louisiana Department of Treasury Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee? Yes No

No Separate Management Letter Issued

Section II - Financial Statement Findings

2020-001 Segregation of Duties

Condition:	Because of the entity's size and the limited number of accounting personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control.
Cause:	Lack of accounting personnel.
Criteria:	Effective internal control requires adequate segregation of duties among client personnel.
Effect:	Without proper segregation of duties, errors within the financial records or fraud could go undetected.
Recommendation:	To the extent cost effective, duties should be segregated and management should attempt to mitigate this significant deficiency in internal control by supervision and review procedures.
Response:	We concur with this recommendation. Management has implemented supervision and review procedures to the extent possible.

2020-002 Controls Over Financial Reporting

Condition:	In my judgment, the personnel of the Allen Parish Sheriff do not have the specialized accounting training necessary to generate the financial statements, together with related notes in accordance with generally accepted accounting principles (GAAP).
Cause:	Lack of accounting personnel.
Criteria:	The Auditing Standards Board issued guidance to auditors related to entity's internal controls over financial reporting. Many small organizations rely on their auditor to generate the annual financial statements including footnotes. Auditing standards emphasize that the auditor cannot be part of your system of internal control over financial reporting.
Effect:	Misstatements in financial statements could go undetected.
Recommendation:	In my judgment, due to the lack of resources available to management to correct this significant deficiency in financial reporting, we recommend management mitigate this significant deficiency in internal control by having a heightened awareness of all transactions being reported.
Response:	We concur with this recommendation. Management has implemented supervision and review procedures to the extent possible. Management will carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

2020-003 Budget

Condition:	The annual budgeted revenues for the E-911 Special Revenue Fund exceeded the actual revenues by more than five percent. This is in violation of R.S. 39:1311.
Cause:	The budget was amended during the fiscal year to reflect the “cash basis” accounting of E-911 funds. The actual fiscal year E-911 revenues were on the accrual basis and were less than the amended budget by six percent.
Criteria:	None.
Effect:	None.
Recommendation:	Management should ensure that budgets be prepared on accrual basis.
Response:	Management will closely monitor the budget during the year to prevent this finding from reoccurring.

2020-004 Pledged Collateral

Condition:	As indicated in Note 2 of the financial statements, the Organization did not maintain adequate pledged collateral for their Cash and Investments.
Cause:	The irrevocable letter of credit that is normally renewed annually to secure the Organization’s Cash and Investments was issued by the pledging financial institution in the name of another governmental agency in error. This situation was discovered to year end.
Criteria:	None.
Effect:	None.
Recommendation:	Management should closely monitor pledged collateral on all deposits to ensure the Organization is in compliance.
Response:	Management contacted the fiscal agent to correct the above finding. Management will monitor pledged collateral more closely.

Section III – Federal Award Findings and Questioned Costs

None.

ALLEN PARISH SHERIFF
Oberlin, Louisiana
Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2020

2019-001 Segregation of duties:

Corrective Action Taken: This is an ongoing finding that cannot be corrected due lack of financial resources and the size of the entity.

2019-002 Controls over financial reporting:

Corrective Action Taken: This is an ongoing finding that cannot be corrected due lack of financial resources and the size of the entity.