

**TENSAS PARISH SHERIFF
St. Joseph, Louisiana**

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2020
With Supplemental Information Schedules

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Independent Auditor's Report

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. 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 Tensas Parish Sheriff's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tensas Parish Sheriff's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Independent Auditor's Report,
June 30, 2020

Opinions

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

Emphasis of a Matter

As described in Note 16 to the financial statements, operations of the Tensas Parish Sheriff are impacted by the pandemic caused by the Coronavirus/COVID-19. The Tensas Parish Sheriff is uncertain how and to what extent the pandemic will negatively affect operations, financial position, cash flows, and the ability to provide services. My opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Tensas Parish Sheriff's office basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head on page 56 and the Sheriff's sworn affidavit presented on page 55 are presented for the purpose of additional analysis and are not a required part of the financial statements.

These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Independent Auditor's Report,
June 30, 2020

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation, benefits and other payments and the Sheriff's sworn affidavit are fairly stated, in all material respects, in relation to the basic financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 11, 2020, on my consideration of the Tensas Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tensas Parish Sheriff's internal control over financial reporting and compliance.

West Monroe, Louisiana
December 11, 2020

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Management's Discussion and Analysis
June 30, 2020

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

Overview of the Financial Statements

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

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

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

The *statement of net position* presents information on all of the Tensas Parish Sheriff's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Tensas Parish Sheriff is improving or deteriorating.

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

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

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

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

The Tensas Parish Sheriff maintains 3 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Detention Center special revenue fund, which are considered to be a major funds. The Commissary Fund data for the non-major governmental fund is provided in a separate column for non-major governmental fund.

The Tensas Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

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

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Tensas Parish Sheriff exceeded liabilities by \$304,069. The largest portion of the Tensas Parish Sheriff's net position reflects its

investment in capital assets (furniture and equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

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

STATEMENT OF NET POSITION

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$4,241,461	\$3,608,174
Receivables	471,087	501,548
Due from other funds	9,657	8,755
Inventory	24,772	18,863
Capital assets (net of accumulated depreciation)	<u>4,999,536</u>	<u>5,167,355</u>
TOTAL ASSETS	<u>9,746,513</u>	<u>9,304,695</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension and OPEB related	<u>1,591,521</u>	<u>479,671</u>
LIABILITIES		
Accounts payable	281,315	262,178
Salaries payable	85,807	95,070
Interest payable	27,093	28,679
Withholdings payable	176	3,353
Due to other funds	2,097	1,653
Bank loan payable	225,466	440,000
Due to Sheriff	146,875	141,455
Net pension liability	824,242	618,364
Net OPEB obligation	3,605,179	2,359,189
Long-term liabilities:		
Due within one year	315,000	295,000
Due in more than one year	<u>5,300,000</u>	<u>5,615,000</u>
TOTAL LIABILITIES	<u>10,813,250</u>	<u>9,859,941</u>
DEFERRED INFLOWS OF RESOURCES		
Pension and OPEB related	<u>220,715</u>	<u>270,518</u>
NET POSITION		
Invested in capital assets, net of related debt	(615,464)	(742,645)
Unrestricted	<u>919,533</u>	<u>396,552</u>
TOTAL NET POSITION	<u>\$304,069</u>	<u>(\$346,093)</u>

STATEMENT OF ACTIVITIES

	<u>2020</u>	<u>2019</u>
Public safety:		
Personal services	\$3,766,726	\$3,317,355
Operating services	1,084,712	998,725
Materials and supplies	1,438,384	1,332,987
Travel	7,638	22,802
Debt service - interest	399,963	483,242

Depreciation expense	\$167,819	\$167,819
Total Program Expenses	<u>6,865,242</u>	<u>6,322,930</u>
Program revenues:		
Charges for services:		
Commissions on license and taxes	1,281	1,470
Civil and criminal fees	54,652	73,864
Court attendance	1,088	3,900
Feeding prisoners	4,388,237	4,164,281
Other revenues	<u>623,373</u>	<u>573,246</u>
Total program revenues	<u>5,068,631</u>	<u>4,816,761</u>
Net Program Expenses	<u>(1,796,611)</u>	<u>(1,506,169)</u>
General revenues:		
Taxes		
Ad valorem	1,782,868	1,785,282
Sales tax	124,008	125,866
Grants and contributions not restricted to specific programs:		
Federal sources	12,667	14,131
State sources:		
State revenue sharing (net)	33,346	33,339
State supplemental pay	89,526	94,131
Other state grants	102,194	107,816
Local sources	72,555	79,145
Use of money and property	<u>229,609</u>	<u>211,266</u>
Change in Net Position	650,162	944,807
Net Position - Beginning of year	<u>(346,093)</u>	<u>(1,290,900)</u>
Net Position - End of year	<u>\$304,069</u>	<u>(\$346,093)</u>

Financial Analysis of the Government's Funds

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

As of June 30, 2020, combined governmental fund balance of \$4,005,241 showed an increase in fund balance of \$811,610 over June 30, 2019. The General Fund's portion of the unreserved, undesignated fund balance of \$1,385,797 shows an increase (of approximately \$310,143) from the prior year amount. The Detention Center portion of the reserved fund balance is \$2,452,675, and shows an increase in fund balance (of approximately \$632,584) from the prior year amount.

General Fund and Major Fund Budgetary Highlights

Differences between expenditures of the original budget and the final budget for the General Fund were due primarily to an increase in personal services and related benefits, materials and supplies, travel and other charges, and debt service and decreases in operating services and capital outlay. The difference in original and final budgeted revenues in the general fund were due to an increase in state supplemental pay, use of money and property and operating transfers in and decreases in ad valorem taxes, federal grants, other state grants, local funds, civil and criminal fees and other revenues.

Differences between expenditures of the original budget and the final budget for the Detention Center Fund were due primarily to an increase in personal services and related benefits, operating services and materials and supplies and decreases in travel and other charges. The difference in original and final budgeted revenues in the Detention Center Fund were due to increases in feeding and keeping prisoners, use of money and property and other revenue.

Capital Asset and Debt Administration

Capital assets. The Tensas Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$4,999,536 (net of accumulated depreciation). This investment includes furniture, equipment, and weapons. There were no increases or decreases in capital assets for the year.

Long-term debt. At the end of the fiscal year, Tensas Parish Sheriff has outstanding revenue bonds of \$5,615,000. \$295,000 of these bonds were paid in the current year in accordance with the debt agreement. The Tensas Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at June 30, 2020 is \$3,605,179. Net Pension obligation associated with the Pension Plan at June 30, 2020 is \$824,242.

Requests for Information

This financial report is designed to provide a general overview of the Tensas Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Tensas Parish Sheriff, Courthouse Building, St. Joseph LA 71282.

December 11, 2020

BASIC FINANCIAL STATEMENTS

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

STATEMENT OF NET POSITION
June 30, 2020

ASSETS	
Cash and cash equivalents	\$4,241,461
Receivables	471,087
Due from other funds	9,657
Inventory	24,772
Capital assets (net of accumulated depreciation)	<u>4,999,536</u>
TOTAL ASSETS	<u>9,746,513</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension and OPEB related	<u>1,591,521</u>
LIABILITIES	
Accounts payable	281,315
Salaries payable	85,807
Interest payable	27,093
Withholdings payable	176
Due to other funds	2,097
Bank loan payable	225,466
Due to Sheriff	146,875
Net pension liability	824,242
Net OPEB obligation	3,605,179
Long-term liabilities:	
Due within one year	315,000
Due in more than one year	<u>5,300,000</u>
TOTAL LIABILITIES	<u>10,813,250</u>
DEFERRED INFLOWS OF RESOURCES	
Pension and OPEB related	<u>220,715</u>
NET POSITION	
Invested in capital assets, net of related debt	(615,464)
Unrestricted	<u>919,533</u>
TOTAL NET POSITION	<u><u>\$304,069</u></u>

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

Statement B

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2020

Public safety:	
Personal services	\$3,766,726
Operating services	1,084,712
Materials and supplies	1,438,384
Travel and other	7,638
Interest expense	399,963
Depreciation expense	167,819
Total Program Expenses	<u>6,865,242</u>
Program revenues:	
Charges for services:	
Commissions on licenses and taxes	1,281
Civil and criminal fees	54,652
Court attendance	1,088
Feeding and keeping prisoners	4,388,237
Other revenues	623,373
Total program revenues	<u>5,068,631</u>
Net Program Expenses	<u>(1,796,611)</u>
General revenues:	
Taxes:	
Ad valorem	1,782,868
Sales tax	124,008
Grants and contributions not restricted to specific programs:	
Federal sources	12,667
State sources:	
State revenue sharing (net)	33,346
State supplemental pay	89,526
Other	102,194
Local sources	72,555
Use of money and property	229,609
Change in Net Position	650,162
NET POSITION	
Beginning of year	<u>(346,093)</u>
End of year	<u><u>\$304,069</u></u>

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2020

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND	TOTAL
	GENERAL FUND	DETENTION CENTER FUND	COMMISSARY FUND	
ASSETS				
Cash and cash equivalents	\$1,449,949	\$2,679,995	\$111,517	\$4,241,461
Receivables	124,268	296,910	49,909	471,087
Due from other funds	88,949	2,133	8,520	99,602
Inventory			24,772	24,772
TOTAL ASSETS	\$1,663,166	\$2,979,038	\$194,718	\$4,836,922
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$95,813	\$157,565	\$27,937	\$281,315
Salaries payable	30,281	55,526		85,807
Payroll deducts payable	176			176
Bank Loan payable		225,466		225,466
Due to Sheriff	146,875			146,875
Due to other funds	4,224	87,806	12	92,042
Total Liabilities	<u>277,369</u>	<u>526,363</u>	<u>27,949</u>	<u>831,681</u>
Fund equity:				
Restricted public safety		2,452,675	166,769	2,619,444
Unassigned	1,385,797			1,385,797
Total fund equity	<u>1,385,797</u>	<u>2,452,675</u>	<u>166,769</u>	<u>4,005,241</u>
TOTAL LIABILITIES AND FUND EQUITY	\$1,663,166	\$2,979,038	\$194,718	\$4,836,922

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

For the Year Ended June 30, 2020

Total Fund Balances at June 30, 2020 - Governmental Funds (Statement C)		\$4,005,241
Deferred outflows of resources		1,591,521
Cost of capital assets at June 30, 2020	\$6,380,360	
Less: Accumulated depreciation as of June 30, 2020	<u>(1,380,824)</u>	4,999,536
Long-term liabilities:		
Revenue Bonds payable	(5,615,000)	
Interest payable	(27,093)	
Net pension liability	(824,242)	
Net OPEB obligation	<u>(3,605,179)</u>	(10,071,514)
Elimination of interfund assets and liabilities:		
Due from other funds	89,945	
Due to other funds	<u>(89,945)</u>	
Deferred inflow of resources		<u>(220,715)</u>
Net Position at June 30, 2020 (Statement A)		<u><u>\$304,069</u></u>

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2020

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND - COMMISSARY	TOTAL
	GENERAL FUND	DETENTION CENTER		
REVENUES				
Taxes				
Ad valorem	\$1,246,631	\$536,237		\$1,782,868
Sales tax	124,008			124,008
Intergovernmental revenues:				
Federal grants	12,667			12,667
State grants:				
State revenue sharing (net)	33,346			33,346
State supplemental pay	89,526			89,526
Other	102,194			102,194
Local grants	72,555			72,555
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	1,281			1,281
Civil and criminal fees	54,652			54,652
Court attendance	1,088			1,088
Feeding and keeping of prisoners		4,388,237		4,388,237
Use of money and property	193,426	36,183		229,609
Other	789	1,645	\$547,126	549,560
Total revenues	<u>1,932,163</u>	<u>4,962,302</u>	<u>547,126</u>	<u>7,441,591</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and related benefits	1,484,552	1,918,146		3,402,698
Operating services	371,614	707,873	5,225	1,084,712
Materials and supplies	133,927	1,006,439	298,018	1,438,384
Travel and other charges	6,927	711		7,638
Debt service		696,549		696,549
Total expenditures	<u>1,997,020</u>	<u>4,329,718</u>	<u>303,243</u>	<u>6,629,981</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	(64,857)	632,584	243,883	811,610
OTHER FINANCING SOURCE (Use):				
Operating transfer in	375,000			375,000
Operating transfer out			(375,000)	(375,000)
Total Other Financing Source (Use)	<u>375,000</u>	NONE	<u>(375,000)</u>	NONE

(Continued)

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance

MAJOR FUNDS.....		OTHER	
	GENERAL	DETENTION	GOVERNMENTAL	
	FUND	CENTER	FUND-	TOTAL
			COMMISSARY	
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	\$310,143	\$632,584	(\$131,117)	\$811,610
FUND BALANCE AT BEGINNING OF YEAR	1,075,654	1,820,091	297,886	3,193,631
FUND BALANCE AT END OF YEAR	<u>\$1,385,797</u>	<u>\$2,452,675</u>	<u>\$166,769</u>	<u>\$4,005,241</u>

(Concluded)

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

For the Year Ended June 30, 2020

Total net change in fund balances - governmental funds (Statement D)	\$811,610
Amounts reported for governmental activities in the Statement of Activities are different because:	
The payments on the revenue bonds are treated in governmental activities as other financing sources and uses, whereas those transactions are not reported in the government wide statement of activities but are carried to the statement of net position.	295,000
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(303,016)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	1,586
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period.	(167,819)
Non-employer contributions to cost-sharing pension plan	73,813
Pension expense	<u>(61,012)</u>
Change in net position of governmental activities (Statement B)	<u>\$650,162</u>

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Statement of Fiduciary Net Position

June 30, 2020

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
ASSETS					
Cash and cash equivalents	\$48,854	\$3,899	\$91,809	\$31,638	\$176,200
Accounts receivable	891		1,314	237	2,442
Due from other funds	15			2,082	2,097
	<u>\$49,760</u>	<u>\$3,899</u>	<u>\$93,123</u>	<u>\$33,957</u>	<u>\$180,739</u>
LIABILITIES					
Unsettled deposits due to:					
Other funds	\$928		\$1,840	\$6,889	\$9,657
Accounts payable			21		21
Others	48,832	\$3,899	91,262	27,068	171,061
Total Liabilities	<u>\$49,760</u>	<u>\$3,899</u>	<u>\$93,123</u>	<u>\$33,957</u>	<u>\$180,739</u>

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
UNSETTLED BALANCES					
AT BEGINNING OF YEAR	\$10,272	\$835	\$89,243	\$11,142	\$111,492
ADDITIONS					
Deposits :					
Fines, bond forfeitures and costs			202,824		202,824
Suits and seizures		6,497			6,497
Garnishments		21,755			21,755
Taxes, fees, etc. paid to tax collector	6,951,571				6,951,571
Other additions		3,064		793,997	797,061
Total additions	6,951,571	31,316	202,824	793,997	7,979,708
Total	6,961,843	32,151	292,067	805,139	8,091,200
REDUCTIONS					
Deposits, taxes, fees, etc. settled to:					
Tensas Parish:					
Sheriff's General Fund	1,817,061	7,920	33,791		1,858,772
Clerk of Court	630	1,079	12,845		14,554
Police jury	1,589,019		58,090		1,647,109
School board	2,044,183				2,044,183
Assessor	373,932				373,932
Communications District (911)	172,115				172,115
Council on Aging	115,284				115,284
Louisiana Department of Agriculture	9,498				9,498
Louisiana Tax Commission	7,620				7,620
Levee district	169,261				169,261
District Attorney			42,582		42,582
Indigent defender board			26,104		26,104
Judicial Expense fund			2,105		2,105
Fire district no. 1	391,951				391,951
Attorneys, appraisers, etc.		300			300
Litigants		18,910			18,910
Northwest Louisiana Crime Lab			16,007		16,007
Commission on Law Enforcement			3,491		3,491
LTHSP			1,483		1,483
CMIS			1,247		1,247
Pension funds	196,234				196,234
Other reductions	26,223	43	3,060	778,071	807,397
Total reductions	6,913,011	28,252	200,805	778,071	7,920,139
UNSETTLED BALANCES					
AT END OF YEAR	\$48,832	\$3,899	\$91,262	\$27,068	\$171,061

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

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

The accompanying financial statements of the Tensas Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Tensas Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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

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

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

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

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

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

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

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

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Governmental Fund Types

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

Detention Center Major Fund - The Detention Center Fund is used to account for the proceeds of specific revenue sources such as state and parish funds for maintaining state and parish prisoners. Those revenues are restricted to expenditures for specified purposes.

Commissary Non-Major Fund - The Commissary Fund accounts for the purchase and resale of personal items to the inmates of the detention center.

Fiduciary Fund Type - Agency Funds

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

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Revenues

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

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

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

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

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

Expenditures

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

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the sheriff has cash and equivalents (book balances) totaling \$4,417,661 as follows:

Demand deposits	\$3,931,226
Time deposits	485,985
Petty cash	<u>450</u>
Total	<u><u>\$4,417,661</u></u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name. The Sheriff does not have a policy concerning custodial risk.

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

Bank balances	<u>\$4,571,077</u>
Federal deposit insurance	\$952,710
Pledged securities (uncollateralized)	<u>5,973,710</u>
Total	<u><u>\$6,926,420</u></u>

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

the date of donation. The sheriff maintains a threshold level of \$500 for capitalizing capital assets.

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

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

G. RISK MANAGEMENT

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

H. VACATION AND SICK LEAVE

All employees are granted from 10 days of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is granted on a case-by-case basis, at the discretion of the sheriff.

I. SALES AND USE TAXES

On October 18, 1997, voters of the parish approved a one-half of one percent (1/2%) sales and use tax to be collected indefinitely. The proceeds of the tax, after paying reasonable and necessary costs of collection, is dedicated to operation of the law enforcement district. The Tensas Parish School Board acts as the collecting agent for the purpose of administration and collection of the tax. For its services, the school board receives reasonable and necessary costs of collection. Every agency that the school board collects a tax for pays a pro-rata share of the collection agency's expenses based on the amount of tax actually collected for them.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

J. PENSION PLANS

The Tensas Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed in three components:

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

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff reduces committed amounts first, followed by assigned amounts and the unassigned amounts.

In the fund financial statements, governmental fund equity is classified as fund balance. The Sheriff adopted GASB Statement 54 for the year ended June 30, 2020. As such, fund balances of the governmental funds are classified as follows:

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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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

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

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

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

The General Fund has an unassigned fund balance of \$1,385,797. If applicable, the Sheriff would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds. The Sheriff considers restricted amounts have been spent when an expenditure has been incurred for the purpose for which both restricted and unrestricted fund balance is available.

L. INTERFUND TRANSACTIONS

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

M. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisitions of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

O. 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.

2. LEVIED TAXES

The Sheriff levied the following miaages for ad valorem taxes for 2019:

Constitutional	11.47	indefinite
Law Enforcement Sheriff	11.30	expires 2027
Sheriff - Detention Center	<u>10.00</u>	expires 2026
Total	<u><u>32.77</u></u>	

The taxes are normally collected in December of the current year and January and February of the ensuing year. Property taxes are recorded as receivables and revenues in the year assessed. The property tax calendar is as follows:

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes due	December 31
Penalties & interest added	January 15 of ensuing year
Tax Sale	August 5 of ensuing year *

* Tax sale was postponed due to Governors order concerning COVID.

The assessed value was \$61,453,654 in 2019. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property tax. In 2019, this homestead exemption was \$5,243,764 of the total assessed value. The following are the principal taxpayers for the parish:

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

	2019 Assessed Valuation	% of Total Assessed Valuation
American River Trans. Co.	\$15,067,720	24.52%
Cross Keys Bank	1,651,326	2.69%
Entergy Louisiana, Inc.	823,030	1.34%
Tensas State Bank	714,454	1.16%
Lansing Louisiana, LLC	709,370	1.15%
Total	<u>\$18,967,919</u>	<u>30.86%</u>

3. RECEIVABLES

The receivables of \$471,087 at June 30, 2020, are as follows:

<u>Class of receivables:</u>	General Fund	Detention Center	Other Governmental	Total
Taxes - Sales and use	\$18,309			\$18,309
Intergovernmental revenues:				
Federal grants	9,744			9,744
Other state grants	44,357			44,357
Local funds	17,500			17,500
Fees, charges, and commissions for services:				
Civil and criminal fees	9,512			9,512
Feeding and keeping prisoners		\$296,910		296,910
Miscellaneous	24,846		\$49,909	74,755
Total	<u>\$124,268</u>	<u>\$296,910</u>	<u>\$49,909</u>	<u>\$471,087</u>

4. ON-BEHALF PAYMENTS

Certain employees of the Tensas Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$89,526.

5. DUE FROM/TO OTHER FUNDS

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

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

	<u>Due To</u>	<u>Due From</u>
General Fund:		
Detention Center Fund	\$2,127	\$6,869
Detention Center Fund - Payroll		79,300
Criminal Fund		1,840
Inmate Fund	1,637	
Commissary		12
Tax Collector	15	928
Detention Center Fund:		
General Fund	6,869	2,127
General Fund - Payroll	79,300	
Commissary	2,082	
Work Release		6
Criminal Fund - General Fund	1,840	
Commissary:		
General Fund	12	
General Fund		1,637
Inmate Fund		6,883
Inmate Fund :		
General Fund		2,082
Commissary	6,883	
Work Release - Detention Center	6	
Tax Collector:		
General Fund	928	15
Total	<u>\$101,699</u>	<u>\$101,699</u>

6. INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Transfers In/Out

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$375,000	
Commissary		375,000
Total	<u>\$375,000</u>	<u>\$375,000</u>

Transfers were made from the Nonmajor Commissary Fund to the General Fund for sheriffs commissary commission revenues.

7. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2020, follows:

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
General Fund				
Vehicles	\$611,274			\$611,274
Weapons	9,386			9,386
Equipment	114,110			114,110
Sub-total General Fund	<u>734,770</u>	<u>NONE</u>	<u>NONE</u>	<u>734,770</u>
Detention Center Vehicles				
Buildings	5,330,000			5,330,000
Vehicles	315,590			315,590
Sub-total Detention Center	<u>5,645,590</u>	<u>NONE</u>	<u>NONE</u>	<u>5,645,590</u>
Total assets	6,380,360	NONE	NONE	6,380,360
Less accumulated depreciation	<u>1,213,006</u>	<u>167,818</u>	<u>NONE</u>	<u>1,380,824</u>
Net capital assets	<u>\$5,167,354</u>	<u>(\$167,818)</u>	<u>NONE</u>	<u>\$4,999,536</u>

Depreciation expense of \$167,818 was charged to the public safety function.

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

The Sheriff contributes to the Sheriffs' Pension and Relief Fund (Fund) which is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of the sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. Membership in the Fund is required for all eligible sheriffs and deputies. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund, which can be obtained at www.lla.state.la.gov.

Summary of Significant Accounting Policies.

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

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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Plan Fiduciary Net Position.

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

Pension Amount Netting.

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

Plan Description.

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

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

Plan Benefits

Retirement Benefits

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to 3.33 percent of their final-average compensation multiplied by his years of creditable service, not to exceed 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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

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

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

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

Disability Benefits

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

Survivor Benefits

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the members' final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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

Deferred Benefits:

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

Back Deferred Retirement Option Plan (Back-DROP)

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

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

In accordance with state statute, the Fund also receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contribution for the year ended June 30, 2020 was \$73,813.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

The Sheriff’s contractually required composite contribution rate for the year ended June 30, 2019 was 12.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. The Tensas Parish Sheriff’s contributions to the Fund for the years ended June 30, 2020 and 2019 were \$158,281 and \$149,020, respectively, equal to the required contributions for each year.

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

For the years ending June 30, 2020, and 2019, the Sheriff reported a liability of \$824,242 and \$618,364, respectively for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs’ proportion of the net pension liability was based on a projection of the Sheriffs’ long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs’, actuarially determined. At June 30, 2019, the Sheriffs’ proportion was .1742 percent, which was an increase of .0130 from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$226,305. At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$157,910
Changes in assumptions	\$251,900	
Net difference between projected and actual earnings on pension plan	29,661	
Changes in employer’s proportion of beginning NPL	72,904	37,190
Differences between employer and proportionate share of contributions	31	735
Sheriff contributions subsequent to the measurement date	158,281	
Total	\$512,777	\$195,835

\$158,281 reported as deferred outflows of resources related to pensions resulting from the Tensas Parish Sheriffs’ contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$48,023
2021	(17,294)
2022	45,063

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

2023	\$58,489
2024	24,380
Total	\$158,661

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

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

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

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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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.

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

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Sheriffs' proportionate share of the net pension liability	\$1,723,617	\$824,242	\$67,337

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Tensas Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Tensas Parish Sheriff's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit.*

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Benefits Provided - Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree (not dependents)/ Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age or, age 55 and 15 years of service.

Life insurance coverage is continued to retirees based on a blended rate for active employees and retirees. The employer pays 100% of the cost of the first \$10,000 of life insurance after retirement. The retiree may elect to continue additional voluntary insurance amounts in force at time of retirement, subject to an age-related reduction formula (reducing to 75% at age 65 and 50% at age 70.) The retiree pays for the additional voluntary insurance but both that cost and the employer cost are based on the blended active/retired rate and there is thus an implied subsidy. We have assumed that 60% of currently active employees will elect to continue the voluntary additional life insurance after retirement.

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

Inactive employees or beneficiaries currently receiving benefit payments	7
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	34
Total employees	<u>41</u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$3,605,179 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

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

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior Discount Rate	3.50%
Discount rate	2.21%,
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2020, the end of the applicable measurement period.

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

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

Changes in the Total OPEB Liability

Balance at June 30, 2019	\$2,359,189
Changes for the year:	
Service cost	143,689
Interest	85,086
Differences between expected and actual experience	296,851
Changes in assumptions	759,112
Benefit payments and net transfers	<u>(38,748)</u>
Net Changes	<u>1,245,990</u>
Balance at June 30, 2020	<u><u>\$3,605,179</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	<u>1.0% Decrease</u> <u>(1.21%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.21%)</u>	<u>1.0% Increase</u> <u>(3.21%)</u>
<u>Total OPEB liability</u>	\$4,332,310	\$3,605,179	\$3,035,236

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current discount rate:

	<u>1.0% Decrease</u> <u>(4.5%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(5.5%)</u>	<u>1.0% Increase</u> <u>(6.5%)</u>
<u>Total OPEB liability</u>	\$3,114,529	\$3,605,179	\$4,226,081

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

For the year ended June 30, 2020, the Sheriff recognized OPEB expense of \$341,764. At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual expenditures	\$360,524	(\$24,880)
Changes in assumptions	718,221	NONE
Total	<u><u>\$1,078,744</u></u>	<u><u>(\$24,880)</u></u>

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

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

Year ended June 30:		
2021		\$112,989
2022		112,989
2023		112,989
2024		112,989
2025		112,989
Thereafter		\$488,919

10. BANK LOAN PAYABLE

On June 30, 2020 the sheriff borrowed \$225,466 from Tensas State Bank for operations of the Detention Center. The loan agreement required a single payment of \$225,466 with interest at 3.0 percent. This amount was repaid on November 24, 2020 along with interest of \$2,783.

11. LONG-TERM DEBT

On July 21, 2017, the sheriff issued \$6,340,000 in revenue bonds with interest rates ranging from 5.0 to 5.75 percent. The net proceeds of \$5,971,450 (after payment of underwriting fees and other issuance costs) were used for the purpose of prepaying the obligations of the issuer pursuant to the lease agreement (with option to purchase) and shall be exchanged for outstanding certificates and in full satisfaction thereof. The court has approved and authorized the prior trustee to take such action as is reasonably necessary to effectuate the financial restructuring consistent with the terms set forth in the bond resolution. In accordance with the order of the court, the exchange bonds are being issued for the purpose of prepaying the obligations of the issuer pursuant to the lease and are for an amount less than the original outstanding lease.

The bonds are secured by and payable solely from the income, revenues (excluding funds derived from the provision of telephone services and the ownership or operation of commissary facilities), and receipts to be derived from the operation of the Detention Center, including the revenues of a ten (10.00) mills ad valorem tax.

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

	<u>Revenue Bonds</u>
Long-term obligations, June 30, 2019	\$5,910,000
Additions	NONE
Deletions	<u>(295,000)</u>
Long-term obligations, June 30, 2020	<u>\$5,615,000</u>

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

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

\$2,100,000 - dated July 21, 2017. Principal is due in semi annual installments of \$50,000 to \$215,000 through December 1, 2031, with interest at 5.00 per cent. Debt retirement payments are made from the Detention Center Fund.	\$1,835,000
\$3,150,000 - dated July 21, 2017. The principal is due in semi annual installments of \$65,000 to \$350,000 through December 1, 2031, with interest at 6.75 per cent. Debt retirement payments are made from the Detention Center Fund.	2,800,000
\$180,000 - dated July 21, 2017. The principal is due in semi annual installments of \$5,000 to \$55,000 through December 1, 2031, with interest at 5.00 per cent. Debt retirement payments are made from the Detention Center Fund.	155,000
\$910,000 - dated July 21, 2017. The principal is due in semi annual installments of \$30,000 to \$330,000 through December 1, 2031, with interest at 6.75 per cent. Debt retirement payments are made from the Detention Center Fund.	<u>825,000</u>
Total revenue bonds	<u>\$5,615,000</u>

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

Year Ended June 30:	Totals	
	Principal	Interest
2021	\$315,000	\$339,819
2022	335,000	320,575
2023	350,000	300,113
2024	370,000	278,556
2025	395,000	255,781
2026-2030	2,340,000	883,475
2031	1,510,000	116,137
Total	<u>\$5,615,000</u>	<u>\$2,494,456</u>

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

Year Ended June 30:	Issue of 2017A		Issue of 2017B		Issue of 2017C		Issue of 2017D	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$115,000	\$90,250	\$160,000	\$186,131	\$10,000	\$7,750	\$30,000	\$55,688
2022	120,000	84,500	175,000	175,163	10,000	7,250	30,000	53,662
2023	125,000	78,375	180,000	163,350	10,000	6,750	35,000	51,637
2024	135,000	72,000	190,000	151,031	10,000	6,250	35,000	49,275

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

Year Ended June 30:	Issue of 2017A		Issue of 2017B		Issue of 2017C		Issue of 2017D	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$140,000	\$65,250	\$205,000	\$137,869	\$10,000	\$5,750	\$40,000	\$46,912
2026-2030	800,000	213,125	1,240,000	459,675	45,000	21,000	255,000	189,675
2031	400,000	23,000	650,000	50,625	60,000	4,375	400,000	38,138
Total	<u>\$1,835,000</u>	<u>\$626,500</u>	<u>\$2,800,000</u>	<u>\$1,323,844</u>	<u>\$155,000</u>	<u>\$59,125</u>	<u>\$825,000</u>	<u>\$484,987</u>

12. TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2020, the tax collector has cash and equivalents (book balances) of \$48,854.

Federal In Lieu of Taxes	\$44,520
Interest on tax account	4,334
Total	<u>\$48,854</u>

13. AD VALOREM TAXES COLLECTED

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

Louisiana Forestry Service	\$9,465
Louisiana Tax Commission	7,620
Tensas Parish Assessor	364,596
Tensas Parish Police Jury	1,564,339
Tensas Parish School Board	2,023,427
Tensas Parish Sheriff	1,773,856
Tensas Parish Communications District (911)	171,694
Tensas Parish Council on Aging	115,002
Fifth District Levee Board	163,733
Fire District No. 1	390,991
Lake Bruin Recreation & Water	21,475
Total	<u>\$6,606,198</u>

14. TAX UNCOLLECTED AND UNSETTLED

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

Louisiana Forestry Service	\$6
Tensas Parish Assessor	5,491

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Tensas Parish Police Jury	\$26,085
Tensas Parish School Board	31,518
Tensas Parish Sheriff	27,303
Tensas Parish Communications District (911)	2,675
Tensas Parish Council on Aging	1,792
Fifth District Levee Board	3,294
Fire District No. 1	6,091
Lake Bruin Recreation & Water	<u>400</u>
Total	<u>\$104,655</u>

The uncollected taxes consist of property that the tax collector was not allowed to sell due to the COVID 19 virus. Once the governor allows the tax collector to have a tax sale, the tax collector will hold a tax sale and sell the property.

15. LITIGATION AND CLAIMS

At June 30, 2020, the Tensas Parish Sheriff is not involved in any lawsuits. The Emerald Management Company was operating the detention center and at that time there was an agreement with the sheriff's office to pay the debt payment on the certificates of indebtedness. They did not make the payments for the three years ended 2010, 2011 and 2012. The legal council is in the process of filing a lawsuit for the amount of the debt service payments.

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

The Tensas Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Tensas Parish Police Jury.

17. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 11, 2020, which is the date the financial statements were available to be issued, and it has been determined that one significant event requires disclosure. The COVID-19 outbreak in the United States and Louisiana has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and whether those closings will precipitate a wider economic recession. As a result, the related financial impact on the Tensas Parish Sheriff and the duration cannot be estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
Ad valorem	\$1,403,000	\$1,242,000	\$1,246,631	\$4,631
Sales tax	120,000	120,000	124,008	4,008
Intergovernmental revenues:				
Federal grants	12,600	9,700	12,667	2,967
State grants:				
State revenue sharing (net)	33,250	33,300	33,346	46
State supplemental pay	85,000	90,000	89,526	(474)
Other	106,300	104,000	102,194	(1,806)
Local funds	85,200	80,050	72,555	(7,495)
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	1,500	1,400	1,281	(119)
Civil and criminal fees	74,500	53,000	54,652	1,652
Court attendance	1,800	1,200	1,088	(112)
Use of money and property	123,500	191,100	193,426	2,326
Other	4,800	1,500	789	(711)
Total revenues	<u>2,051,450</u>	<u>1,927,250</u>	<u>1,932,163</u>	<u>4,913</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	1,459,194	1,473,000	1,484,552	(11,552)
Operating services	304,950	282,000	371,614	(89,614)
Materials and supplies	166,000	173,000	133,927	39,073
Travel and other charges	5,500	7,200	6,927	273
Debt service	50,000	78,000		78,000
Capital outlay	60,000			
Total expenditures	<u>2,045,644</u>	<u>2,013,200</u>	<u>1,997,020</u>	<u>16,180</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	<u>5,806</u>	<u>(85,950)</u>	<u>(64,857)</u>	<u>21,093</u>
OTHER FINANCING SOURCE-				
Operating Transfer In	100,000	375,000	375,000	
Total Other Financing Source	<u>100,000</u>	<u>375,000</u>	<u>375,000</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES				
	<u>105,806</u>	<u>289,050</u>	<u>310,143</u>	<u>21,093</u>
FUND BALANCES AT BEGINNING OF YEAR				
	<u>610,345</u>	<u>1,075,654</u>	<u>1,075,654</u>	<u>NONE</u>
FUND BALANCES AT END OF YEAR				
	<u>\$716,151</u>	<u>\$1,364,704</u>	<u>\$1,385,797</u>	<u>\$21,093</u>

(Continued)

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes - ad valorem	\$533,000	\$532,750	\$536,237	\$3,487
Fees, charges, and commissions for services - Feeding and keeping of prisoners	3,460,000	4,390,400	4,388,237	(2,163)
Use of money and property	10,000	25,500	36,183	10,683
Other revenues	500	5,310	1,645	(3,665)
Total revenues	<u>4,003,500</u>	<u>4,953,960</u>	<u>4,962,302</u>	<u>8,342</u>
EXPENDITURES				
Personal services and benefits	1,800,150	1,970,000	1,918,146	51,854
Operating services	841,800	1,010,000	707,873	302,127
Materials and supplies	743,000	755,000	1,006,439	(251,439)
Travel and other charges	4,700	1,800	711	1,089
Debt service	436,000	665,000	696,549	(31,549)
Total expenditures	<u>3,825,650</u>	<u>4,401,800</u>	<u>4,329,718</u>	<u>72,082</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	177,850	552,160	632,584	80,424
FUND BALANCES (Deficit) AT BEGINNING OF YEAR	<u>269,606</u>	<u>1,820,091</u>	<u>1,820,091</u>	
FUND BALANCES AT END OF YEAR	<u>\$447,456</u>	<u>\$2,372,251</u>	<u>\$2,452,675</u>	<u>\$80,424</u>

(Concluded)

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

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Tensas Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

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

Total OPEB Liability	2018	2019	2020
Service cost	\$96,206	\$94,017	\$143,689
Interest	75,020	77,009	85,086
Changes of benefits terms	NONE	NONE	NONE
Differences between expected and actual experience	(30,212)	106,694	296,851
Changes of assumptions	NONE	40,024	759,112
Benefit payments	<u>(36,853)</u>	<u>(38,880)</u>	<u>(38,748)</u>
Net change in total OPEB liability	104,161	278,864	1,245,990
Total OPEB liability - beginning	<u>1,976,164</u>	<u>2,080,325</u>	<u>2,359,189</u>
Total OPEB liability - ending	<u><u>\$2,080,325</u></u>	<u><u>\$2,359,189</u></u>	<u><u>\$3,605,179</u></u>
Covered employee payroll	\$996,360	\$1,026,251	\$1,268,400
Net OPEB liability as a percentage of covered-employee payroll	208.79%	229.88%	284.23%
<i>Benefit Changes</i>	None	None	None
<i>Changes in Assumptions:</i>			
<i>Discount Rate</i>	3.62%	3.50%	2.21%
<i>Mortality</i>	RP-2000	RP-2000	RP-2014
<i>Trend</i>	5.50%	5.50%	Variable

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

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

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

Fiscal Year *	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.170980%	\$677,082	\$1,109,887	61.00%	87.34%
2015	0.161854%	\$721,467	\$1,073,118	67.23%	86.61%
2016	0.158525%	\$1,006,142	\$1,084,045	92.81%	82.09%
2017	0.151151%	\$654,525	\$1,046,938	62.52%	88.49%
2018	0.161257%	\$618,364	\$1,109,887	55.71%	90.41%
2019	0.174250%	\$824,242	\$1,215,139	67.83%	88.91%

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

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

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

Tensas Parish Sheriff
Schedule of Employer Contributions
June 30, 2020

Fiscal Year *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2014	\$151,687	\$151,687	\$0	\$1,109,887	13.67%
2015	\$152,919	\$152,919	\$0	\$1,073,118	14.25%
2016	\$149,046	\$149,046	\$0	\$1,084,045	13.75%
2017	\$138,719	\$138,719	\$0	\$1,046,938	13.25%
2018	\$141,511	\$141,511	\$0	\$1,109,887	12.75%
2019	\$149,020	\$149,020	\$0	\$1,215,139	12.25%

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

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

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

OTHER SUPPLEMENTARY INFORMATION

PART III

STATE OF LOUISIANA

PARISH OF TENSAS

**AFFIDAVIT
RICKEY A. JONES, SHERIFF OF TENSAS PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, RICKEY A. JONES, SHERIFF OF TENSAS PARISH, State of Louisiana, who after being duly sworn, deposed and said:

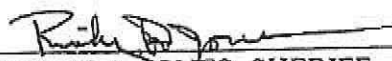
The following information is true and correct:

\$48,854 is the amount of cash on hand in the tax collector account on June, 30, 2020.

He further deposed and said:


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

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



RICKEY A. JONES, SHERIFF
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 11th day of December, 2020, in my office in St. Joseph, Louisiana.



NECCI R. GREGORY, NOTARY PUBLIC #59418
TENSAS PARISH, LOUISIANA

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

RICKEY JONES, SHERIFF

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$139,721
Salary due to sheriff	5,419
Expense allowance	13,972
Benefits-insurance	10,615
Benefits-retirement	29,202
Other - cellphone	1,800
Registration fees	100
Other membership fees	100
Membership dues-Sheriffs Association	11,823

See independent auditor's report.

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

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

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

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

TENSAS PARISH SHERIFF
St. Joseph, 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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, the fiduciary funds, and the aggregate remaining fund information of the Tensas Parish Sheriff, a component unit of the Tensas Parish Police Jury, as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Tensas Parish Sheriff's basic financial statements, and have issued my report thereon dated December 11, 2020.

Internal Control Over Financial Reporting

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

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

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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2020

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tensas Parish Sheriff's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tensas Parish Sheriff's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tensas Parish Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

West Monroe, Louisiana

December 11, 2020

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Schedule of Audit Results
For the Year Ended June 30, 2020

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unmodified opinion on the basic financial statements of the Tensas Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Tensas Parish Sheriff was disclosed during the audit.
3. No material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

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