

SABINE PARISH POLICE JURY
Many, Louisiana

ANNUAL FINANCIAL REPORT

December 31, 2019

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Table of Contents
December 31, 2019**

	<u>Statement</u>	<u>Page</u>
Independent Auditor’s Report		4-6
Required Supplementary Information – Part I:		
Management’s Discussion and Analysis		8-17
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	20
Statement of Activities	B	21
Fund Financial Statements:		
Balance Sheet – Governmental Funds.....	C	23
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	D	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	E	25-26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	F	27
Notes to Financial Statements.....		29-64
	<u>Exhibit</u>	
Required Supplementary Information – Part II:		
Budgetary Comparison Schedules:		
General Fund	1-1	66
Transportation Fund	1-2	67
Sales Tax Fund	1-3	68
Road District 11 Fund	1-4	69
Health Unit Fund	1-6	70
WIA Fund.....	1-7	71

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Table of Contents (Continued)
December 31, 2019**

	<u>Exhibit</u>	<u>Page</u>
Schedule of Changes in Net OPEB Liability and Related Ratios	2-1	72
Schedule of Employer's Share of Net Pension Liability.....	2-2	73
Schedule of Employer's Pension Contributions	2-3	74
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	3	75
Notes to Required Supplementary Information		76
Other Supplementary Information:		
Other Nonmajor Governmental Funds		78
Combining Balance Sheet	4	79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	5	80
Combining Balance Sheet- Nonmajor Road District Funds.....	6	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Road District Funds.....	7	82
Schedule of Compensation Paid to Police Jurors	8	83
Schedule of Expenditures of Federal Awards	9	84
Notes to the Schedule of Expenditures of Federal Awards.....		85
Other Reports:		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		87-88
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance		89-90
Schedule of Findings and Questioned Costs		91
Management's Summary Schedule of Prior Audit Findings		92
Independent Accountant's Report on Applying Agreed Upon Procedures.....		93-95
Management's Response to Findings		96

Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Jury Members of the
Sabine Parish Police Jury

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury (the Jury), Many, Louisiana, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Jury's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data

for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported has not been determined.

Adverse Opinion on Aggregate Discretely Presented Component Units – The Reporting Entity

In our opinion, because of the significance of the matter described in the “Basis for Adverse Opinion on Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Sabine Parish Police Jury, the reporting entity, as of December 31, 2019, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions – The Primary Government

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Parish Police Jury, the primary government, as of December 31, 2019, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information Part I

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, listed as required supplementary information part I, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Part II and Other Supplementary Information

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

The required supplementary information—part II and the other supplementary information, as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information – part II and the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we have also issued our reports dated October 30, 2020, on our consideration of the Sabine Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, and compliance for each major program and on internal control over compliance. The purpose of these reports is to describe the scope of our testing of internal control over financial reporting and compliance, the results of that testing, and not to provide an opinion on internal control over financial reporting, compliance, compliance for each major program, or internal control over compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and the Uniform Guidance in considering the Sabine Parish Police Jury's internal control over financial reporting and compliance, and compliance for each major program and on internal control over compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, we have issued a report dated October 30, 2020, on the results of those procedures, in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Governmental Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC

October 30, 2020
Mansfield, Louisiana

Required Supplementary Information – Part I
Management’s Discussion and Analysis

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Management's Discussion and Analysis

This section of the Sabine Parish Police Jury's annual financial report offers readers a narrative overview and analysis of the financial performance of the Sabine Parish Police Jury (Police Jury) for the fiscal year ended on December 31, 2019. The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their No. 34 Basic Financial Statements – and Management's Discussion and Analysis- for State and Local Governments issued June 1999. The MD&A is designed to focus on the current year's activities, resulting changes and currently known facts. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Police Jury's financial statements, which follow this section.

Financial Highlights

Key financial highlights for the 2019 fiscal year include the following:

- The Sabine Parish Police Jury continues to be very liquid with cash and cash equivalents totaling \$16,926,471 as of December 31, 2019 compared to \$14,839,566 at the end of the prior year,
- The Police Jury's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$33,021,393 (net position). Of this amount, \$16,600,605 represents the net investment in capital assets and \$137,466 is prepaid expenses. \$10,619,132 is restricted to use for specific purposes by the related tax propositions, laws or regulations of other governments, or grantor agreements and \$5,664,190 (unrestricted net position) may be used to meet the Police Jury's ongoing obligations to citizens and creditors at the discretion of the jurors.
- The total net position of the Police Jury increased by \$3,023,544 during the year ended December 31, 2019.

- The Police Jury's cash and cash equivalents increased by \$2,086,905 during the current year. Revenue receivables and amounts due from other governments increased \$764,887.
- Net capital assets increased \$694,237 during the current year.
- As of the close of the fiscal year, the Police Jury's governmental funds reported a combined ending fund balance of \$20,820,673 an increase of \$2,549,221 (13.95%) in comparison with the prior fiscal year. Of this amount, \$9,043,399 is unassigned and available for spending within the Police Jury's designation and fiscal policies.
- At the end of the fiscal year, unassigned fund balance of the General Fund was \$9,043,399 or 372.24% of total General Fund expenditures for 2019.

Overview of the Financial Statements

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the Police Jury's basic financial statements. The Police Jury's financial statements are comprised of three components: (1) government-wide financial statements, (2) financial statements of individual funds, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances in a manner similar to a private-sector business.

The Statement of Net Position presents all the Police Jury's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position represents the difference between all elements in a statement of financial position and is displayed in three components: net investment in capital assets, restricted, and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The Statement of Activities presents information showing how the Police Jury's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 (e.g., uncollected taxes and earned, but unused, compensated absences). The focus of the Statement of Activities is on both the gross and net cost of various activities which are provided by the Police Jury's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services.

The Statement of Net Position and the Statement of Activities distinguish functions of the Police Jury that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Police Jury's governmental activities include general government, public safety, roads and bridges, sanitation, culture and recreation, community development, health and welfare, and economic development. The Police Jury did not report any business-type activities for the current fiscal year. The government-wide financial statements can be found on pages 20 and 21 of this report.

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. Traditional users of governmental financial statements will find the fund financial statement presentations more familiar. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Police Jury are categorized as governmental 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 at the end of the fiscal year. Such information may be useful in evaluating the Police Jury'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 Police Jury's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Police Jury maintains 20 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, Transportation Fund, Sales Tax Fund, Road District 11 Fund, Health Unit Fund, and the WIA Fund, all of which are considered to be major funds. Data for the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 23 through 27.

The Police Jury adopts an annual appropriated budget for the General Fund and the special revenue funds. Budgetary comparison schedules for the General Fund and the special revenue

funds considered to be major funds have been provided to demonstrate compliance with these budgets.

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. The notes to the financial statements can be found on pages 29 through 64.

Other Information – In addition to the basic financial statements and the accompanying notes, this report also presents certain supplementary information that is required to be reported including budgetary comparison schedules for major governmental funds, a schedule of changes in net OPEB liability and related ratios, a schedule of employer’s share of net pension liability, a schedule of employer’s pension contributions, and a schedule of compensation, benefits and other payments to agency head or chief executive officer.

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

Financial Analysis of Government-Wide Activities

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Police Jury, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33,021,393 as of December 31, 2019, which is an increase of \$3,023,544 from December 31, 2018.

Net position totaling \$5,664,190 (17.15%) is unrestricted and may be used to meet the Police Jury’s ongoing obligations to citizens and creditors.

\$10,756,598 of net position is restricted. Prepaid insurance totaling \$137,466 is recorded as nonexpendable since the vendor has been paid in the current year for services that will be delivered in the next fiscal year. \$10,619,132 is restricted by the related tax proposition, grantor agreement, or laws or regulations of other governments.

Of the ending net position, \$16,600,605 (50.27%) represents the Police Jury’s investment in capital assets (e.g., land, streets, rights-of-way, bridges, buildings, machinery, equipment, and furniture and fixtures) less any related debt used to acquire those assets that is still outstanding. The Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Police Jury’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Position
December 31, 2019 and 2018

	Governmental Activities	
	2019	2018
Current and other assets	<u>\$ 22,268,691</u>	<u>\$ 19,580,898</u>
Capital assets, net	<u>16,930,414</u>	<u>16,236,177</u>
Total assets	<u>39,199,105</u>	<u>35,817,075</u>
Deferred outflows of resources	<u>975,622</u>	<u>425,706</u>
Current and other liabilities	1,015,484	947,872
Long-term liabilities	<u>6,058,549</u>	<u>4,740,229</u>
Total liabilities	<u>7,074,033</u>	<u>5,688,101</u>
Deferred inflows of resources	<u>79,301</u>	<u>556,831</u>
Net position:		
Net investment in capital assets	16,600,605	15,941,527
Restricted	10,756,598	10,364,801
Unrestricted	<u>5,664,190</u>	<u>3,691,521</u>
Total net position	<u>\$ 33,021,393</u>	<u>\$ 29,997,849</u>

The Police Jury's net position increased by \$3,023,544 during the fiscal year ended December 31, 2019. The following table provides a summary of the Police Jury's operations for the years ended December 31, 2019 and December 31, 2018.

Changes in Net Position
Years Ended December 31, 2019 and 2018

	Governmental Activities	
	2019	2018
	<hr/>	<hr/>
Program Revenues:		
Charges for services	\$ 538,511	\$ 528,057
Operating grants and contributions	4,762,561	3,324,812
Capital grants and contributions	-	-
General Revenues:		
Ad valorem taxes	4,080,687	3,452,947
Sales taxes	5,229,896	4,012,703
Severance taxes	2,062,611	1,768,113
State public works grants	-	354,677
State fire rebate	230,382	198,211
State revenue sharing	113,015	111,565
Investment earnings	348,534	251,862
Other general revenues	207,236	79,454
	<hr/>	<hr/>
Total Revenues	<u>17,573,433</u>	<u>14,082,401</u>
Expenses:		
General government	2,244,555	2,102,475
Public safety	711,504	596,586
Roads	6,462,421	6,062,399
Sanitation	858,366	792,321
Culture and recreation	-	-
Health and welfare	135,128	161,525
Economic development	4,117,241	2,681,240
Community development	1,161	-
Interest on long-term debt	19,513	9,020
	<hr/>	<hr/>
Total Expenses	<u>14,549,889</u>	<u>12,405,566</u>
Increase in net assets	3,023,544	1,676,835
Net position, beginning of year	<u>29,997,849</u>	<u>28,321,014</u>
Net position, end of year	<u><u>\$ 33,021,393</u></u>	<u><u>\$ 29,997,849</u></u>

Program revenues totaled \$5,301,072 in 2019, 30.17% of total revenues. \$4,084,800 was provided through economic development grants reported in the Workforce Investment Act (WIA) Fund. The Police Jury received \$11,943 in state supplemental funds for the salaries of constables and justices of the peace. \$50,226 was received from the Federal Emergency Management Agency through Emergency Management Performance Grants to reimburse expenditures made by the Office of Homeland Security and Emergency Preparedness. The Police Jury received \$364,717 in Parish Transportation Act Funds for road improvements and \$250,875 in reimbursements for road damages.

Charges for services resulted in revenues totaling \$538,511.

General revenues, totaling \$12,272,361, comprise the largest portion of revenues received by the Police Jury (69.83%) during 2019. Ad valorem taxes of \$4,080,687 represent 23.22% of the total revenues received by the Police Jury during 2019 while sales taxes of \$5,229,896 represent 29.76% of that total. Severance taxes of \$2,062,611 accounted for 11.74% of the total revenue for 2019.

The Police Jury expended \$14,549,889 during 2019. The largest expenses were for:

- Roads - \$6,462,421 – 44.42%
- Economic Development - \$4,117,241 – 28.30%
- General Government - \$2,244,555 – 15.43%
- Sanitation - \$858,366 – 5.90%
- Public Safety - \$711,504 – 4.89%

\$4,084,800 was expended for economic development through the Workforce Investment Act Program which passes through the Sabine Parish Police Jury. The Coordinating and Development Corporation is the administrative entity for this program with the funds being disbursed within the ten parishes comprising the Seventh Planning District.

Financial Analysis of the Sabine Parish Police Jury's Funds

Governmental Funds

As noted earlier, the Police Jury uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The focus of the Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Police Jury's financing requirements. In particular, unassigned fund balance may serve as a

useful measure of the Police Jury's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Sabine Parish Police Jury's governmental funds reported a combined ending fund balance of \$20,820,673, an increase of \$2,549,221 (13.95%) in comparison with the prior fiscal year. Of the fund balance total, \$9,043,399 (43.43%) was unassigned; \$6,082,068 (29.21%) was restricted for roads; \$2,272,500 (10.91%) was restricted for health and welfare; and \$3,221,867 (15.47%) was restricted for sanitation.

The Witness Fees Fund had a deficit fund balance of \$54,906 and the Road District 18 Fund had a deficit fund balance of \$38,179 on December 31, 2019.

The General Fund is the chief operating fund of the Police Jury. At the end of the current fiscal year it had a fund balance of \$9,104,176, an increase of \$871,219 compared to the prior year. \$9,043,399 of the fund balance of the General Fund is unassigned and is available for spending at the Police Jury's discretion.

General Fund Budgetary Highlights

The budget policy of the Sabine Parish Police Jury complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original 2019 budget for the General Fund of the Sabine Parish Police Jury was adopted on December 19, 2018. During the year, the Jury revised the General Fund budget to reflect changes in revenues and/or expenditures.

During the year ended December 31, 2019, actual revenues exceeded budgeted revenues by \$360,530, actual expenditures were \$531,709 less than the budgeted amounts, and transfers to other funds were \$278,276 less than the budgeted amount.

Significant variances between budget and actual amounts are as follows:

Revenues:

- Ad valorem tax revenues were \$74,390 more than budgeted
- Severance tax revenues were \$144,595 more than budgeted.
- Rents, leases, and royalties were \$70,037 more than budgeted.

Expenditures:

- Capital outlay expenditures were \$196,697 more than budgeted.
- Jail food, clothing and supplies expenditures were \$89,123 more than budgeted.

- Court expenditures were \$179,135 less than budgeted.
- District attorney office expenditures were \$59,470 less than budgeted.
- Office of Homeland Security and Emergency Preparedness building improvements were \$76,364 less than budgeted.

Capital Assets and Debt Administration

Capital assets: The Police Jury’s investment in capital assets as of December 31, 2019 was \$16,930,414 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, furniture and fixtures, and infrastructure. The table below shows the value at the end of the fiscal year.

Capital Assets December 31, 2019 and 2018 (Net of Depreciation)

	<u>2019</u>	<u>2018</u>
Land	\$ 708,170	\$ 690,926
Buildings and improvements	2,352,009	2,291,379
Machinery and equipment	3,985,970	3,194,305
Furniture and fixtures	9,390	10,704
Infrastructure	9,874,875	10,048,863
Total net assets	<u>\$ 16,930,414</u>	<u>\$ 16,236,177</u>

Major additions to capital assets during the fiscal year included the following:

- Elevator renovation- courthouse - \$ 76,474
- Metal roof- fairgrounds exhibit building- 31,800
- Cross conveyor spreader - 8,655
- 2019 Western Star dump truck - 99,444
- Land- Ward 3 yard - 31,614
- 2018 Caterpillar excavator - 226,320
- 2020 D6T dozer - 386,730
- Kubota excavator - 62,509
- Avaya phone system - 9,951
- GFA financial software - 29,738
- 2019 Chevrolet Silverado - 29,559
- 2019 Chevrolet Silverado - 29,980
- Trash compactor- Corleyville - 13,191
- 9 – 40-yard trash receivers - 61,495
- Atmax Mower Max boom cutter - 186,500

- Eterra Cyclone 48” mower - 8,445
- Brazos end dump trailer - 35,850

Debt Administration: At the end of the fiscal year, the Police Jury had outstanding long-term debt of \$6,058,549. Of this amount, \$233,596 is comprised of capital lease agreements, \$193,999 in compensated absences, and \$5,630,954 relating to the recognition of the estimated liabilities for other post-employment benefits and net pension liabilities.

Economic Factors and Next Year’s Budgets and Rates

The following economic factors were considered when the budget for fiscal year 2020 was presented to the Police Jury:

- Ad valorem tax revenue is expected to increase due to reassessment.
- Sales tax revenue is expected to be consistent with the prior year.
- Other revenues are expected to be consistent with the prior year.
- Salaries are expected to increase due to salary increases due to employees.
- Employee health insurance costs are expected to increase.
- Capital outlay expenses are expected to increase.
- Road maintenance costs are expected to increase due to overlaying projects.
- Other expenditures are expected to be consistent with the prior year.

Requests for Information

This financial report is designed to provide our citizens, customers, investors and creditors a general overview of the Police Jury’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Secretary Treasurer, Sabine Parish Police Jury, 400 South Capitol Street, Room 101, Many, Louisiana, 71449.

Basic Financial Statements

Government-Wide Financial Statements

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Net Position
December 31, 2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 16,926,471
Revenue receivables	5,137,594
Prepaid expenses	137,466
Due from other governments	67,160
Capital assets (net)	16,930,414
Total Assets	\$ 39,199,105
Deferred Outflows of Resources	975,622
Liabilities	
Accounts payable	\$ 634,073
Master bank overdrafts	63,621
Unearned federal disaster revenue	221,577
Long-term liabilities, due within one year:	
Capital leases	96,213
Due in more than one year:	
Capital leases	233,596
Compensated absences	193,999
Other postemployment benefit obligation	4,511,206
Net pension liability	1,119,748
Total Liabilities	\$ 7,074,033
Deferred Inflows of Resources	79,301
Net Position	
Net investment in capital assets	\$ 16,600,605
Restricted, nonexpendable	137,466
Restricted for	
Roads	5,033,815
Health & welfare	2,272,500
Economic development	90,950
Sanitation	3,221,867
Unrestricted	5,664,190
Total Net Position	\$ 33,021,393

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

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Revenue and Changes in Net Position
					Primary Government
					Governmental Activities
Primary Government:					
Governmental Activities					
General government:					
Legislative	\$ 300,992	\$ -	\$ -	\$ -	(300,992)
Judicial	779,283	266,661	-	-	(512,622)
Elections	57,260	-	-	-	(57,260)
Finance and administration	517,995	-	-	-	(517,995)
Other	589,025	6,831	-	-	(582,194)
Public safety	711,504	123,174	62,169	-	(526,161)
Roads and bridges	6,462,421	-	615,592	-	(5,846,829)
Sanitation	858,366	141,845	-	-	(716,521)
Health and welfare	135,128	-	-	-	(135,128)
Economic development	4,117,241	-	4,084,800	-	(32,441)
Community development	1,161	-	-	-	(1,161)
Interest on long-term debt	19,513	-	-	-	(19,513)
Total Governmental Activities	<u>\$ 14,549,889</u>	<u>\$ 538,511</u>	<u>\$ 4,762,561</u>	<u>\$ -</u>	<u>(9,248,817)</u>
General Revenues:					
Ad valorem taxes					4,080,687
Sales taxes					5,229,896
Severance taxes					2,062,611
Excise taxes					12,318
State fire rebate					230,382
Investment earnings					348,534
State revenue sharing					113,015
Gain(loss) on disposal of assets					(18,825)
Rents and royalties					81,616
Other miscellaneous					132,127
Total General Revenues and Transfe					<u>12,272,361</u>
Changes in Net Position					3,023,544
Net Position - Beginning					29,997,849
Net Position - Ending					<u>\$ 33,021,393</u>

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

Fund Financial Statements

SABINE PARISH POLICE JURY
Many, Louisiana

Balance Sheet -Governmental Funds
December 31, 2019

	Major Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Sales Tax Fund	Road District 11	Health Unit	WIA Fund		
Assets								
Cash	\$ 7,867,340	\$ 1,114,067	\$ 2,588,411	\$ 1,032,905	\$ 2,081,922	\$ -	\$ 2,241,826	\$ 16,926,471
Revenue receivables	1,313,917	-	675,766	417,011	223,969	-	2,506,931	5,137,594
Prepaid expenses	60,777	70,883	1,657	336	-	-	3,814	137,467
Due from other governments	13,679	29,373	24,108	-	-	-	-	67,160
Due from other funds	205,807	-	-	-	-	-	-	205,807
Total Assets	\$ 9,461,520	\$ 1,214,323	\$ 3,289,942	\$ 1,450,252	\$ 2,305,891	\$ -	\$ 4,752,571	\$ 22,474,499
Liabilities								
Accounts payable	\$ 241,787	\$ 91,061	\$ 66,418	\$ 37,872	\$ 8,249	\$ -	\$ 188,686	\$ 634,073
Due to other funds	-	-	-	-	-	-	205,807	205,807
Master bank overdrafts	-	-	-	-	-	-	63,621	63,621
Total Liabilities	\$ 241,787	\$ 91,061	\$ 66,418	\$ 37,872	\$ 8,249	\$ -	\$ 458,114	\$ 903,501
Deferred Inflows of Resources								
Unearned federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,577	\$ 221,577
Unavailable property taxes	115,557	-	-	173,761	25,142	-	214,288	528,748
Total Deferred Inflows of Resources	\$ 115,557	\$ -	\$ -	\$ 173,761	\$ 25,142	\$ -	\$ 435,865	\$ 750,325
Fund Balances								
Nonspendable	\$ 60,777	\$ 70,883	\$ 1,657	\$ 336	\$ -	\$ -	\$ 3,814	\$ 137,467
Restricted for:								
Judicial	-	-	-	-	-	-	19,427	19,427
Roads	-	1,052,379	-	1,238,283	-	-	3,791,406	6,082,068
Sanitation	-	-	3,221,867	-	-	-	-	3,221,867
Health and welfare	-	-	-	-	2,272,500	-	-	2,272,500
Witness and juror fees	-	-	-	-	-	-	(47,005)	(47,005)
Economic development	-	-	-	-	-	-	90,950	90,950
Unassigned	9,043,399	-	-	-	-	-	-	9,043,399
Total Fund Balances	\$ 9,104,176	\$ 1,123,262	\$ 3,223,524	\$ 1,238,619	\$ 2,272,500	\$ -	\$ 3,858,592	\$ 20,820,673
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,461,520	\$ 1,214,323	\$ 3,289,942	\$ 1,450,252	\$ 2,305,891	\$ -	\$ 4,752,571	\$ 22,474,499

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

SABINE PARISH POLICE JURY
Many, Louisiana

Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2019

Total Fund Balance, Governmental Funds	\$	20,820,673
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in this fund financial statement but are reported in the governmental activities of the Statement of Net Position

Cost of capital assets		84,336,474
Less - accumulated depreciation		(67,406,060)

Deferred Outflows of Resources used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet

975,622

Property taxes will be collected but are not available soon enough to pay for the current year expenditures and, therefore, the underlying revenues are not currently recognized in the governmental funds.

528,748

Long-term liabilities are not due and payable in the current period and are not included in the fund financial statements but are included in the governmental activities of the Statement of Net Position

Capital leases		(329,809)
Compensated absences		(193,999)
Other post employment benefit obligation		(4,511,206)
Net pension liability		(1,119,748)

Deferred Inflows of Resources are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet

(79,301)

Net Position of Governmental Activities in the Statement of Net Position	\$	33,021,393
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The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	Major Funds						Other	Total
	General Fund	Transportation Fund	Sales Tax Fund	Road District 11	Health Unit	WIA Fund	Governmental Funds	Governmental Funds
<u>REVENUES</u>								
Taxes:								
Ad valorem	\$ 965,379	\$ -	\$ -	\$ 247,401	\$ 210,041	\$ -	\$ 2,432,383	\$ 3,855,204
Sales and use	-	-	5,229,896	-	-	-	-	5,229,896
Licenses and permits	130,005	-	-	-	-	-	-	130,005
Intergovernmental revenues:								
Federal grants	50,226	-	-	-	-	4,084,800	-	4,135,026
State funds:								
Parish transportation funds	-	364,717	-	-	-	-	-	364,717
Grants	-	-	-	-	-	-	-	-
State revenue sharing	29,549	-	-	4,186	6,429	-	72,851	113,015
Fire insurance rebate	230,382	-	-	-	-	-	-	230,382
Severance taxes	2,062,611	-	-	-	-	-	-	2,062,611
Other state funds	24,261	-	-	-	-	-	-	24,261
Fees, charges, and commissions	-	-	141,845	-	-	-	-	141,845
Fines and forfeitures	-	-	-	-	-	-	266,661	266,661
Investment earnings	148,034	19,752	54,187	19,860	39,204	-	67,497	348,534
Rents and royalties	81,616	-	-	-	-	-	-	81,616
Reimbursements	-	-	-	111,383	-	-	139,492	250,875
Other revenues	11,584	29,810	14,239	1,000	-	-	50,479	107,112
Total Revenues	\$ 3,733,647	\$ 414,279	\$ 5,440,167	\$ 383,830	\$ 255,674	\$ 4,084,800	\$ 3,029,363	\$ 17,341,760

(Continued)

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

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	Major Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Sales Tax Fund	Road District 11	Health Unit	WIA Fund		
EXPENDITURES								
Current:								
General government:								
Legislative	\$ 266,326	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,326
Judicial	423,325	-	-	-	-	-	300,619	723,944
Elections	46,703	-	-	-	-	-	-	46,703
Finance and administrative	295,106	-	135,635	-	-	-	-	430,741
Other	463,285	-	-	14,777	8,099	-	90,115	576,276
Public safety	686,386	-	-	-	-	-	-	686,386
Roads	-	2,527,379	-	301,081	-	-	2,798,501	5,626,961
Sanitation	-	-	831,498	-	-	-	-	831,498
Health and welfare	17,998	-	-	-	102,214	-	-	120,212
Community development	1,161	-	-	-	-	-	-	1,161
Economic development	32,441	-	-	-	-	4,084,800	-	4,117,241
Capital outlay	196,697	241,852	768,463	361	-	-	221,770	1,429,143
Debt service:								
Principal retirement	-	-	-	-	-	-	126,794	126,794
Interest and other charges	-	-	-	-	-	-	19,513	19,513
Total Expenditures	<u>2,429,428</u>	<u>2,769,231</u>	<u>1,735,596</u>	<u>316,219</u>	<u>110,313</u>	<u>4,084,800</u>	<u>3,557,312</u>	<u>15,002,899</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>1,304,219</u>	<u>(2,354,952)</u>	<u>3,704,571</u>	<u>67,611</u>	<u>145,361</u>	<u>-</u>	<u>(527,949)</u>	<u>2,338,861</u>
OTHER FINANCING SOURCES (USES)								
Sale of assets	-	10,130	8,183	-	-	-	30,095	48,408
Transfers in	-	2,760,000	-	40,000	-	-	713,357	3,513,357
Transfers out	(433,000)	(290,095)	(2,760,000)	-	-	-	(30,262)	(3,513,357)
Proceeds from issuance of debt	-	-	-	-	-	-	161,952	161,952
Total Other Financing Sources (Uses)	<u>(433,000)</u>	<u>2,480,035</u>	<u>(2,751,817)</u>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>875,142</u>	<u>210,360</u>
Net Change in Fund Balance	871,219	125,083	952,754	107,611	145,361	-	347,193	2,549,221
Fund Balances -Beginning	8,232,957	998,179	2,270,770	1,131,008	2,127,139	-	3,511,399	18,271,452
Fund Balances - Ending	<u>\$ 9,104,176</u>	<u>\$ 1,123,262</u>	<u>\$ 3,223,524</u>	<u>\$ 1,238,619</u>	<u>\$ 2,272,500</u>	<u>\$ -</u>	<u>\$ 3,858,592</u>	<u>\$ 20,820,673</u>

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

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended December 31, 2019**

Net Change in Fund Balances - Governmental Funds	\$ 2,549,221
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is	1,429,143
Depreciation expense on capital assets is reported in the Government-wide financial statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	(667,672)
Total proceeds from the sale of capital assets is reported in governmental funds, whereas the gains and losses are reported in the statement of activities.	(67,233)
Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These timing differences are summarized below:	
Unavailable property taxes	225,483
Non-employer pension revenue	25,021
Pension (expense) benefit	(271,122)
Capital lease payments	126,794
Proceeds from the issuance of debt	(161,952)
Net OPEB obligation	(195,403)
Accrued compensated absences	31,264
Change in Net Position of Governmental Activities	\$ 3,023,544

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

Notes to the Financial Statements

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2019

Introduction

The Sabine Parish Police Jury (hereinafter referred to as "Police Jury") is the governing authority for Sabine Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine compensated jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January, 2020.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, to regulate the construction and maintenance of roads and bridges, to regulate the construction and maintenance of drainage systems, to regulate the sale of alcoholic beverages, and to provide for the health and welfare of the poor, disadvantaged, and unemployed of the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales and use taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. These districts perform specialized functions, such as fire protection, water, ambulance, communications (E911) or library services.

1. Summary of Significant Accounting Policies

The Sabine Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999. The more significant accounting policies established in GAAP and used by the Sabine Parish Police Jury are discussed below.

A. Reporting Entity

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

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

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 and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens 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 of significance of the relationship.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity:

<u>Component Units</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Not included with the reporting entity:		
Sabine Parish Ambulance Service District	December 31	1 and 3
Sabine Parish Assessor	December 31	2
Sabine Parish Clerk of Court	June 30	2
Sabine Parish Communications District	June 30	1 and 3
Sabine Parish Fire Protection District North	December 31	1
Sabine Parish Library	December 31	1 and 3
Sabine Parish Waterworks District Ebarb	December 31	1
Sabine Parish Waterworks District South Toledo Bend	September 30	1
Sabine Parish Waterworks District No. 1	September 30	1

The Police Jury has chosen to issue financial statements of the primary government (Police Jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements. Separate financial statements of the individual component units may be obtained by contacting the component unit.

The financial statements do not include financial data for the Police Jury's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Sabine Parish Police Jury's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Sabine Parish Police Jury and the changes in financial position in conformity with accounting principles generally accepted in the United States of America, but rather are intended to reflect only the financial statements of the primary government (Police Jury).

B. Basis of Presentation

The Police Jury's primary Government Basic Financial Statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The primary Government Basic Financial Statements consist of Government-wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information. Both the Government-wide and the Fund Financial Statements categorize activities as either governmental activities or business-type activities.

The Police Jury used funds to maintain its financial records during the year. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

C. Fund Accounting

The Police Jury uses governmental funds to account for all or most of the Police Jury's general activities, including the collection and disbursement of specifically or legally restricted monies (special revenue funds). These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations.

The following are the Police Jury's governmental funds:

General Fund – The General Fund is the primary operating fund of the Sabine Parish Police Jury. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue resources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes.

Debt Service Funds – The debt service fund accounts for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

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

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, and transfers—and assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all the financial activities of the Police Jury. Individual funds are not displayed, but the statements distinguish governmental activities, which are normally supported by taxes and intergovernmental revenues, from business-type activities, which rely to a significant extent on fees and charges for support. The effect of most interfund activity is eliminated from these financial statements.

Information contained in these statements reflects the "economic resources" measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50 of GASB Statement No. 33, as amended by Statement No. 36.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment of Police Jury activities is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. The Police Jury does not allocate indirect expenses to functions in the Statement of Activities.

Program revenues included in the Statement of Activities are (1) derived directly from charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, (2) operating grants and contributions, and (3) capital grants and contributions. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales taxes, severance taxes, excise taxes, state revenue sharing, rents and royalties, interest, and other unrestricted revenues. Program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Fund Financial Statements

The fund financial statements report financial information by major and nonmajor funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. Nonmajor funds are aggregated and presented in a single column.

A fund is considered major if it is the primary operating fund of the Police Jury or if it meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least ten percent (10%) of the corresponding total for all funds of that category or type.
- b. The Police Jury's management believes that the fund is particularly important to the financial statement users.

The Police Jury's major funds are described as follows:

General Fund – The General fund is the primary operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

Transportation Fund – The transportation fund is a special revenue fund used to account for the collection of the state "parish transportation" funds. This fund also receives sales taxes from the sales tax fund. Expenditures from this fund include all road salaries and benefits, insurance, equipment maintenance and repairs, fuel, and utilities.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

Sales Tax Fund – The sales tax fund is a special revenue fund used to account for the collection of the one percent sales and use tax. The fund also reports the operations of the solid waste landfill. The sales tax revenue is also transferred to the transportation fund for the maintenance of roads and bridges in accordance with the tax proposition.

Road District Funds No 11. -- This fund is a special revenue fund used to account for the operations and maintenance of the road district's highways, streets, and bridges. Financing is primarily provided by ad valorem taxes and state revenue sharing funds.

Health Unit Fund –This fund accounts for the operations of the Health Unit. Financing is provided by ad valorem taxes, state revenue sharing and interest earnings.

Workforce Investment Act Fund (WIA) – The Workforce Investment Act (WIA) is a special revenue fund used to account for grants from the United States Department of Labor passed through the Louisiana Department of Labor. Grants are subsequently transferred to the Coordinating and Development Corporation, which administers the program under contract with the Police Jury. The WIA program provides job training and related assistance to economically disadvantaged individuals. The ultimate goal of the program is to move trainees into permanent, self-sustaining employment.

All other governmental funds are considered non-major funds.

Governmental Fund Financial Statements -- The amounts reflected in the Governmental Fund Financial Statements are accounted for using the “current financial resources” measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. When the “current financial resources” measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Furthermore, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other financing source and repayment of long-term debt is reported as an expenditure. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Police Jury's operations.

The amounts reflected in the Governmental Fund Financial Statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Police Jury 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; however, principle and interest on general obligation long-term debt is recognized when due.

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

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

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

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

Sales tax revenues are recorded in the period in which the underlying exchange has occurred.

Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Sabine Parish Sheriff.

Royalties are recognized in the period the underlying exchange transaction occurs.

Interest earnings on deposits with financial institutions are recorded when credited to the Police Jury.

Those revenues susceptible to accrual are sales taxes, property taxes, franchise taxes, grants, oil and gas royalties, interest revenue and charges for services. Substantially all other revenues, including rents, fines, permits, and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Salaries and related benefits are recorded when employee services are provided.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Substantially all other expenditures are recognized as expenditures when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sales of assets, proceeds from the sale of bonds, capitalized leases, compensation for loss of assets, and the proceeds from accrued interest on the sale of bonds are accounted for as other financing sources (uses) in the Statement of Revenues, Expenditures, and Changes in Fund Balances. These other financing sources (uses) are recognized at the time the underlying events occur.

E. Cash

Cash and cash equivalents include cash on hand, amounts in demand deposits, interest bearing demand deposits, time deposits (certificates of deposit), and short-term, highly liquid investments with original maturities of ninety (90) days or less when purchased. Under state law, the Police Jury may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Police Jury may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables for the governmental activities include ad valorem taxes, sales and use taxes, severance taxes, fees for services, and federal grant revenues. Management believes all these receivables are collectible; therefore, no allowance is recorded for uncollectible amounts.

G. Interfund Transactions

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without the expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient and as an expenditure or expense by the provider. If repayment is expected, these receivables and payables are classified as "Due from other funds" or "Due to other funds". In preparing the government-wide financial statements, interfund receivables and payables are eliminated.

H. Capital Assets

Capital assets which include property, plant, equipment, historical treasures, and infrastructure assets (consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar items) are reported in the governmental activities in the government-wide financial statements. All capital assets, other than land, are depreciated using the straight-line method over their estimated useful lives, ranging from 5 to 50 years depending upon the expected durability of the particular asset. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of net position.

All purchased and constructed capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives or improve their efficiency or capacity are not capitalized.

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

I. Prepaid expenses

Payments made to vendors for services or supplies that will benefit periods beyond December 31, 2019.

J. Sales Taxes

The Sabine Parish Police Jury levies a 1% sales and use tax approved by the voters effective August 1, 2014, for a period of ten years ending July 31, 2024. The tax, after all necessary costs for collection and administration, is to be used to establish, construct, acquire, improve, and operate a solid waste collection and disposal system for the parish, with the balance of the funds used to establish, maintain, and improve roads and bridges.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

K. Compensated Absences

Vested or accumulated vacation leave or compensatory time earned that is expected to be liquidated with expendable available financial resources are reported as expenditures and a fund liability of the governmental fund that will pay it. Amounts of compensated absences not expected to be liquidated with expendable available financial resources are not reported in the fund financial statements. No accrued current expenditures are reported in the governmental funds, as the amounts are considered immaterial. The full liability and related costs are reported in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

Employees of the police jury earn 5 to 20 days of vacation leave each year depending on their length of service and 1 day of sick leave each month. Accumulated vacation leave is capped at thirty days or 240 hours; and employees are paid for their accumulated vacation leave upon termination of employment. Sick leave may be accumulated to a maximum of 45 days; however, accumulated sick leave is forfeited upon termination of employment.

The registrar of voters and the chief deputy are employees of the State of Louisiana Department of Elections and Registration and are paid in part by the Sabine Parish Police Jury. Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation; however, upon separation of employment, classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours.

Employees of the Eleventh Judicial District Court earn 10 days of vacation leave and 45 days of sick leave each year, depending on their length of service. Vacation and sick leave do not accumulate and employees cannot be paid for unused leave upon termination of employment.

L. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

M. Long-term obligations

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. In the fund financial statements, governmental funds recognize principal debt payments and related interest expense in the current period as expenditures. Debt issued during the year is reported as other financing sources.

N. Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury carries commercial insurance for the risk of loss including automobile liability, general liability, property damage, workers compensation, errors and omissions, and surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

O. Fund Equity

Net Position

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

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

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

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Police Jury is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. In the fund financial statement, governmental fund balance is presented in five possible categories:

- a. Nonspendable—resources which cannot be spent because they are either (a) not in spendable form (such as prepaid items); or (b) legally or contractually required to be maintained intact.
- b. Restricted—resources with constraints placed on the use of resources that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed—resources which are subject to limitations or constraints to specific purposes the government imposes upon itself at its highest level of decision making (the Jury). These amounts cannot be used for any other purpose unless government takes the same highest level action to remove or change the constraint.
- d. Assigned—resources neither restricted nor committed for which the Police Jury has a stated intended use as established by the Jury or a body or official (Parish Treasurer) to which the Police Jury has delegated the authority to assign amounts for specific purposes.
- e. Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Police Jury establishes (and modifies and rescinds) fund balance commitments and assignments by passage of an ordinance or resolution.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

O. Fund Equity (continued)

The Police Jury 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.

P. Pensions

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net positions of the District Attorney's Retirement System of Louisiana and the Registrar of Voters Employees' Retirement System and additional to/deductions from the Systems' fiduciary net positions have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Q. Deferred Outflows/Inflows of Resources

The Sabine Police Jury reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statements of net position. Deferred outflows of resources reported in this year's financial statements include deferred outflow of resources for contributions made to the Police Jury's defined benefit pension plans between the measurement date of the net pension liabilities from those plans and the end of the Police Jury's fiscal year. No deferred outflows of resources affect the governmental funds financial statements in the current year.

The Police Jury's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to future period(s). Deferred inflows of resources are reported in the Police Jury's statements of net position for pension earnings in excess of the expected amounts included in determining pension expense. In the governmental funds, the deferred inflow of resources is for revenues that are not considered available. The Police Jury will not recognize the related revenues until they are available (collected not later than 60 days after the end of the fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes and unearned disaster grants are reported in the governmental funds balance sheet.

R. Other Postemployment Benefits

The Sabine Parish Police Jury follows GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which requires the accrual of other postemployment benefits (OPEB) for retired employees. The Police Jury has recorded a liability for other postemployment benefits (See Note 10). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated to the general and administration program. In the fund financial statements, OPEB expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to OPEB payment due and payable as of the end of the year.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

2. Ad Valorem Taxes

The Police Jury levies taxes on real and business personal property located within the boundaries of Sabine Parish. Property taxes are levied by the Police Jury on property values assessed by the Sabine Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Sabine Parish Sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly. The Police Jury recognizes property tax revenues when levied. The property tax calendar:

Assessment date	January 1, 2019
Levy date	June 30, 2019
Tax bills mailed	October 15, 2019
Total taxes are due	December 31, 2019
Penalties & interest added	January 31, 2020
Tax sale	May 16, 2020

A revaluation of all property is required to be completed not less than every four years. The last revaluation was completed for the roll of January 1, 2016.

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2019:

	Assessed value	Homestead exempt	Taxable	Authorized Millage	Maximum Millage	Levied Millage	Expiration Year
General Fund	256,645,160	39,734,934	216,910,226	4.00	4.78	4.78	n/a
Road District 18	22,490,390	4,222,343	18,268,047	10.90	10.90	10.90	2028
Road District 19	13,803,069	2,213,974	11,589,095	15.51	15.51	15.51	2026
Road District 16	21,112,383	3,580,240	17,532,143	10.02	10.02	10.02	2028
Road District 9	38,178,740	8,008,070	30,170,670	10.25	10.25	10.25	2028
Road District 17	49,668,800	9,835,262	39,833,538	10.41	10.41	9.97	2028
Road District 15	32,384,858	6,789,304	25,595,554	13.02	13.87	13.87	2026
Road District 1	31,722,338	3,233,185	28,489,153	16.65	16.65	16.65	2026
Road District 4	23,715,333	1,557,589	22,157,744	12.56	13.87	13.87	2021
Road District 20	5,487,254	1,173,251	4,314,003	22.16	22.16	22.16	2028
Road District 11	17,333,435	1,116,302	16,217,133	25.64	25.64	25.64	2028
Health Unit	256,645,160	39,734,934	216,910,226	1.00	1.04	1.04	2021

The Police Jury recognized property tax revenues in accordance with Section P70, "Property Taxes" of the codification of Governmental Accounting and Financial Reporting Standards on the fund statements. Unpaid property taxes as of December 31, 2019 are recorded as a receivable. Those net property taxes receivable which were not collected within 60 days immediately following December 31, 2019, are recorded as unavailable property taxes.

3. Cash

At December 31, 2019, the Police Jury has cash and cash equivalents (book balances) totaling \$16,926,471 as follows:

Demand deposits	\$ 14,519,680
Money market deposits	2,406,691
Petty cash	100
	\$ 16,926,471

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

3. Cash (continued)

The Police Jury uses a master bank account for cash management purposes. At year-end certain individual funds have negative cash balances in the master bank. At December 31, 2019, the following funds report negative balances in the master bank account of:

Road District 18	\$	7,798
Witness Fees Fund		55,823
	\$	63,621

The cash and investments of the Sabine Parish Police Jury are subject to the following risks:

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal 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 Police Jury that the fiscal agent bank has failed to pay deposit 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 Police Jury's name.

At year end, the Police Jury had collected bank balances of \$16,938,264, which were fully protected by \$250,000 of federal depository insurance and pledged securities with a market value of \$22,435,908 held by the custodial banks in the name of the Police Jury.

4. Receivables

The following is a summary of receivables, including due from other governments, at December 31, 2019:

	General Fund	Transportation Fund	Sales tax fund	Road District 11	Health Unit	Other Governmental Funds	Total
Ad valorem taxes	\$ 1,019,404	\$ -	\$ -	415,505	\$ 221,795	\$ 2,469,287	\$ 4,125,991
State revenue sharing	9,994	-	-	1,506	2,174	24,735	38,409
Sales and use taxes	-	-	675,766	-	-	-	675,766
Beer Tax	2,510	-	-	-	-	-	2,510
Severance tax	228,136	-	-	-	-	-	228,136
State grants:							
Parish Transportation	-	29,373	-	-	-	-	29,373
Civil Defense	4,000	-	-	-	-	-	4,000
Supplemental Pay	1,000	-	-	-	-	-	1,000
Fees and charges	325	-	-	-	-	-	325
Fines and forfeitures	-	-	-	-	-	12,909	12,909
Other receivables	48,548	-	-	-	-	-	48,548
Other governments	13,679	-	24,108	-	-	-	37,787
	\$ 1,327,596	\$ 29,373	\$ 699,874	\$ 417,011	\$ 223,969	\$ 2,506,931	\$ 5,204,754

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

4. Receivables

The receivables as reported on the government-wide balance sheet:

Revenue Receivables	\$ 5,137,594
Due from other governments	<u>67,160</u>
Total receivables	<u><u>\$ 5,204,754</u></u>

5. Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Increases	Decreases/ reclassifications	Ending Balance
Government-wide activities				
Capital assets not being depreciated:				
Land	\$ 690,926	\$ 17,244	\$ -	\$ 708,170
Total assets not being depreciated	<u>690,926</u>	<u>17,244</u>	<u>-</u>	<u>708,170</u>
Capital assets being depreciated:				
Buildings and improvements	3,722,983	137,688	-	3,860,671
Machinery and equipment	7,720,043	1,230,448	(513,327)	8,437,164
Furniture and fixtures	49,015	479	-	49,494
Infrastructure:				
Roads	62,552,336	30,266	-	62,582,602
Bridges	7,645,189	-	(14,822)	7,630,367
Road right-of-ways	1,068,006	-	-	1,068,006
Total capital assets being depreciated	<u>82,757,572</u>	<u>1,398,881</u>	<u>(528,149)</u>	<u>83,628,304</u>
Less accumulated depreciation for:				
Buildings and improvements	1,431,604	77,058	-	1,508,662
Machinery and equipment	4,525,738	384,567	(459,111)	4,451,194
Furniture and fixtures	38,311	1,793	-	40,104
Infrastructure:				
Roads	59,039,856	93,864	-	59,133,720
Bridges	2,176,812	110,390	(14,822)	2,272,380
Total accumulated depreciation	<u>67,212,321</u>	<u>667,672</u>	<u>(473,933)</u>	<u>67,406,060</u>
Capital assets being depreciated, net	<u>15,545,251</u>			<u>16,222,244</u>
Governmental activities capital assets, net	<u><u>\$ 16,236,177</u></u>			<u><u>\$ 16,930,414</u></u>

Depreciation expense of \$667,672 for the year ended December 31, 2019, was charged to the following governmental functions:

Judicial	\$ 48,595
Elections	745
Finance and administration	6,926
Other governmental	8,119
Public safety	11,946
Roads	549,567
Sanitation	26,868
Health and welfare	14,906
	<u><u>\$ 667,672</u></u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

6. Interfund Assets, Interfund Liabilities, and Operating Transfers

In the ordinary course of business, the Police Jury routinely transfers resources between its funds. Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to spend them.

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Criminal Court	General Fund	\$ 33,000
Transportation fund	Sales tax fund	2,760,000
Road District 4	General Fund	40,000
Road District 9	General Fund	40,000
Road District 10	General Fund	40,000
Road District 11	General Fund	40,000
Road District 15	General Fund	40,000
LCDBG Fund	Road District 17	30,262
Road District 16	General Fund	40,000
Road District 17	General Fund	40,000
Road District 17	Transportation	207,677
Road District 18	General Fund	40,000
Road District 18	Transportation	45,378
Road District 19	General Fund	40,000
Road District 20	Transportation	37,040
Road District 20	General Fund	40,000
		<u>\$ 3,513,357</u>

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2019, consists of the following:

<u>Governmental Activities:</u>	<u>Payable to vendors</u>	<u>Payroll Liabilities</u>	<u>Total Payables</u>
General Fund	\$ 135,465	\$ 106,322	\$ 241,787
Transportation Fund	36,913	54,148	91,061
Sales Tax Fund	49,735	16,683	66,418
Road District 1	14,826	16,925	31,751
Road District 16	22,351	6,319	28,670
Health Unit	150	8,099	8,249
Road District 9	23,479	11,842	35,321
Road District 4	3,419	10,923	14,342
Road District 11	23,095	14,777	37,872
Road District 15	9,137	12,053	21,190
Road District 17	4,030	14,972	19,002
Road District 18	2,684	7,180	9,864
Road District 19	932	6,458	7,390
Road District 20	3,960	3,444	7,404
Criminal Court Fund	8,990	3,750	12,740
Witness Fees	1,012	-	1,012
	<u>\$ 340,178</u>	<u>\$ 293,895</u>	<u>\$ 634,073</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans

A. Parochial Employees' Retirement System (PERS)

Plan Description. The Police Jury contributes to PERS, under Plan A, which is a cost-sharing, multiple employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Plan A was designated for employers out of Social Security. Sections 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.persla.org.

All permanent parish employees working at least 28 hours per week are eligible to participate in the System on the date of their employment. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

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

Retirement.

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

At any age	after 30 or more years of creditable service
At age 55	after 25 years of creditable service
At age 60	after 10 years of creditable service
At age 65	after 7 years of creditable service

For employees hired after January 1, 2007:

At age 55	after 30 years of creditable service
At age 62	after 10 years of creditable service
At age 67	after 7 years of creditable service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consists of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Cost-of-Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (LA R.S. 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for PERS. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in DROP in which they enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date. For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of PERS, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of the Plan must agree that the benefits payable to the participant are not the obligations of the state or PERS, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Employer Contributions. According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2018, the actuarially determined contribution rate was 9.99% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2018, was 11.5%.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)

According to state statute, PERS also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. PERS also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2019, was 11.5% 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. Contributions to the pension plan from the Police Jury were \$161,442, \$175,548, and \$192,862 for the years ended December 31, 2019, 2018, and 2017, respectively.

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

The allocation method used in determining employer's proportion was based on each employer's contributions to the plan during the fiscal year ended December 31, 2018 as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2018.. At December 31, 2018, the Police Jury's proportion was .245824%, which was a decrease of .00457% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Police Jury recognized pension expense of \$263,438 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 66,470
Changes of assumptions	272,800	
Net difference between projected and actual earnings on pension plan investments	522,292	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,610	3,273
Employer contributions subsequent to the measurement date	161,442	
Total	\$ 963,144	\$ 69,743

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

Year ended December 31	
2020	\$ 252,005
2021	138,305
2022	110,925
2023	230,724
\$	731,959

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019, is as follows:

Valuation Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Life	4 Years
Investment Rate of Return	6.50%, net of investment expense, including inflation
Projected Salary Increases	4.75%
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public retirement Plans Mortality Table for General Disables Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disables annuitants.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees
Inflation rate	2.40%

The discount rate used to measure the total pension liability was 6.50% for Plan A. 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 contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates 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 rates 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 of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2018.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.22%
Equity	52%	3.45%
Alternatives	11%	0.65%
Real assets	2%	0.11%
	<u>100%</u>	<u>5.43%</u>
Inflation		2.00%
Expected Arithmetic Nominal Return		<u>7.43%</u>

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 6.5%, as well as what the Police Jury's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.5%) or one percentage-point higher (7.5%) than the current rate:

	1% decrease 5.5%	Current Discount Rate 6.5%	1% Increase 7.5%
Employer's proportionate share of net pension liability	\$ 2,317,108	\$ 1,091,055	\$ 66,181

Change in Net Pension Liability

The changes in the net pension liability for the year ended December 31, 2018 were recognized in the current reporting period as pension expense except as follows:

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

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

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

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Parochial Employees' Retirement System (PERS)* (continued)

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

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

Retirement Fund Audit Report

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org.

B. District Attorneys' Retirement System (DARS)

Plan Description. The Police Jury contributes to the District Attorneys' Retirement System, State of Louisiana, which is a cost-sharing multiple employer defined benefit pension plan. The System was established on the first day of August, 1956, and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys. 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 System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit Provided. The following is a description of the plan and its benefits and is provided for general information purposes only. Refer to the appropriate statutes for more complete information.

Retirement

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the System.

Disability Benefits

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

Survivor's Benefits

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Cost-of-Living Increases

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)

Deferred Retirement Option Plan

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (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. 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 lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2019, the actual employer contribution rate was 1.25%. In accordance with state statute, the System receives ad valorem 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. Non-employer contributions were recognized as revenue during the year ended December 31, 2019 and excluded from pension expense.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2019, was 8.00%, 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. Contributions to the pension plan from the Police Jury were \$598, \$142, and \$0.00 for the years ended December 31, 2019, 2018 and 2017 respectively.

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

At December 31, 2019, the Police Jury reported a liability of \$12,475 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Police Jury's proportion was .038777%, which was an increase of .00215% from its proportion measured as of June 30, 2018.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)

For the year ended December 31, 2019, the Police Jury recognized pension expense of \$6,744 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of (\$60).

At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 54	\$ 3,894
Changes of assumptions	5,682	411
Net difference between projected and actual earnings on pension plan investments	1,749	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	927	107
Employer contributions subsequent to the measurement date	456	-
Total	\$ 8,868	\$ 4,412

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

Year ended December 31	
2020	\$ 1,876
2021	514
2022	708
2023	1,445
2024	(543)
	\$ 4,000

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)

Actuarial Assumptions

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

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service Life	6 years
Investment Rate of Return	6.50%, net of investment expense, including inflation
Projected Salary Increases	5.50% (3.10% Merit/2.4% Inflation)
Mortality Rates	RP-2000 Combined Health with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using scale Assistance which were selected for employees, annuitant, and beneficiary mortality.
	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females) was selected for disable annuitants.
Cost of Living Adjustments	Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan data for 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 System'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 the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 7.56% for the year ended June 30, 2019.

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2019, were as follows:

Asset Class	Long-term Target Asset Allocation	Rates of Return	
		Real	Nominal
Equities	48.42%	5.13%	
Fixed Income	40.10%	1.65%	
Alternatives	10.99%	0.78%	
Real Estate	0.49%	0.00%	
System Total	100.00%		5.07%
Inflation			2.49%
Expected Arithmetic Nominal Return			7.56%

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *District Attorneys' Retirement System (DARS)* (continued)

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 6.50%, as well as what the Police Jury's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate:

	1% decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Employer's proportionate share of net pension liability	\$ 33,980	\$ 12,475	\$ (5,837)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Annual Financial Report at www.la.gov.

C. Registrar of Voters Employees' Retirement System (ROVERS)

Plan Description. The Police Jury contributes to the Registrar of Voters Employees' Retirement System of Louisiana, which is a cost-sharing multiple-employer defined benefit pension plan. The System was established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana. 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 System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

Retirement

Any member hired prior to January 1, 2013, is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013, are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plan (continued)

Any member hired on or after January 1, 2013, is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013, that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

Disability Benefits

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

Survivor's Benefits

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS) (continued)*

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System.

Cost-of-Living Increases

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.0% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2019, the actual employer contribution rate was 17.00%.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2019.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2019, was 17.00% 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. Contributions to the pension plan from the Police Jury were \$2,025, \$2,025, and \$2,025, for the years ended December 31, 2019, 2018, and 2017 respectively..

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

At December 31, 2019, the Police Jury reported a liability of \$16,218 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Police Jury's proportion was .086727%, which was an increase of .00087% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the Police Jury recognized pension expense of \$1,785 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(2,275).

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)

At December 31, 2019, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,001
Changes of assumptions	2,401	-
Net difference between projected and actual earnings on pension plan investments	-	926
Changes in proportion and differences between employer contributions and proportionate share of contributions	197	209
Differences between employer contributions and proportionate share of employer contributions	-	10
Employer contributions subsequent to the measurement date	1,012	-
Total	\$ 3,610	\$ 5,146

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

Year ended December 31	
2020	\$ (311)
2021	(1,263)
2022	(343)
2023	(632)
\$	(2,549)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019, are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Life	5 Years
Investment Rate of Return	6.50%, net of investment expense
Inflation Rate	2.40%
Projected Salary Increases	6.00%
Mortality Rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries
	RP-2000 Disabled Lives Mortality Table for disabled annuitants
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently begin paid by the System 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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)

During the year ended June 30, 2019, mortality assumptions were set after reviewing an experience study performed on plan data for the period from July 1, 2009, through June 30, 2014. The data was assigned credibility weightings and combined with a standard table to produce current levels of mortality. The mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.83% for the year ended June 30, 2019. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation were as follows:

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2019, were as follows:

Asset Class	Target Asset Allocation	Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Domestic Equities	40.00%	7.50%	3.00%
International Equities	20.00%	8.50%	1.70%
Domestic Fixed Income	12.50%	2.50%	0.31%
International Fixed Income	10.00%	3.50%	0.35%
Alternative Investments	10.00%	6.33%	0.63%
Real Estate	7.50%	4.50%	0.34%
	<u>100.00%</u>		<u>6.33%</u>
Inflation			2.50%
Expected Arithmetic Nominal Return			<u>8.83%</u>

The discount rate used to measure the total pension liability was 6.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

8. Pension Plans *Registrar of Voters Employees' Retirement System (ROVERS)* (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Police Jury's proportionate share of the Net Pension Liability using the discount rate of 6.50%, as well as what the Police Jury's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate as of June 30, 2019:

	1% decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Employer's proportionate share of net pension liability	\$ 27,359	\$ 16,218	\$ 6,656

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Registrar of Voters Employees' Retirement System of Louisiana Annual Financial Report at www.la.gov.

9. Post Retirement Health Care and Life Insurance Benefits

Plan Description. The Police Jury contributes to a single-employer defined benefit healthcare plan ("the Retiree Healthcare Plan"). To be eligible to receive retirement health benefits, employees must retire with at least 25 years of service and had Parish provided medical coverage for at least five years at the time of retirement. The plan provides lifetime healthcare, life insurance and dental benefits for eligible retirees and surviving spouses through the Police Jury's group health insurance plan, which covers both active and retired members. A Medicare supplement plan becomes available at Medicare eligibility. The retiree does not contribute to the plan. The Retiree Healthcare Plan does not issue a publicly available financial report.

Life insurance coverage is provided to the eligible retiree at no cost to the retiree. The death benefit is \$15,000 to age 65 and reduces to \$9,000 at age 65 until age 70 when coverage reduces to \$7,000.

Employees covered by benefit terms—at December 31, 2019, the following employees were covered by the benefit terms:

Active employees	17
Active employees' dependents	17
Retired employees	4
Total employees covered by benefit terms	38

Total OPEB Liability. The Police Jury's total OPEB liability of \$4,511,206 was valued and measured as of December 31, 2019, and was determined by an actuarial valuation as of that date using GASB accounting methodology.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

9. Post Retirement Health Care and Life Insurance Benefits (continued)

Actuarial Methods and Assumptions. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Actuarial Method – Individual Entry Age Normal Cost Method—level percentage of projected salary
- Service Cost –Determined for each employee as the actuarial present value of benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination.
- Salary increases- 3.5%
- Discount rate – 4.10% (1.10% real rate of return plus 3.00% inflation)
- Average per capita claim cost:

Age	Medical
50	\$ 9,225
51	\$ 9,455
52	\$ 9,692
53	\$ 9,934
54	\$ 10,182
55	\$ 10,437
56	\$ 10,698
57	\$ 10,965
58	\$ 11,239
59	\$ 11,520
60	\$ 11,808
65+	\$ 5,729

- The per capita cost for 65 and later is the annual premium for the Medicare supplement plan
- The dental annual per capita cost is assumed to be \$406.56
- Healthcare cost trend rate – Level 5.00% for medical and level 1.00% for dental/vision
- Mortality - Life expectancies were based on the RP-2014 Total Table with Projection MP-2018.
- Turnover – Termination rates from the Parochial Employees Retirement System of Louisiana 2017 actuarial valuation report were used for this valuation. This following table is a unisex table based on years of service

Years of Service	PERSLA Termination Rates
0	25.00%
5	9.00%
10	4.00%
15	2.00%
20+	1.00%

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

9. Post Retirement Health Care and Life Insurance Benefits (continued)

- Retirement Rates – Rates are from the Parochial Employees Retirement System of Louisiana 2017 actuarial valuation report. The rates are unisex and age based

Age	PERSLA Retirement Rates
45	15.00%
50	15.00%
55	15.00%
60	11.00%
61	11.00%
62	11.00%
63	11.00%
64	11.00%
65	14.00%

- Participation assumption - 100% of retirees who currently have healthcare coverage will continue with the same coverage. 100% of all active employees who currently have healthcare coverage will continue with the same coverage upon retirement. For those with family coverage 100% will elect to continue with coverage including the spouse.

Changes in the Total OPEB Liability

Balance at January 1, 2019	\$ 4,315,803
Changes for the year	
Service cost	133,153
Interest cost	174,644
Total OPEB expense	<u>307,797</u>
Benefit payments	<u>(112,394)</u>
Increase in net OPEB obligation	195,403
Net OPEB liability, end of year	<u>\$ 4,511,206</u>

Sensitivity of the total OPEB liability to changes in the discount rate—The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.10%) or 1 percentage-point higher (5.10%) than the current discount rate:

	Changes in Discount Rate		
	1% Decrease 3.10%	Discount Rate 4.10%	1% Increase 5.10%
Total OPEB liability	<u>\$ 5,359,325</u>	<u>\$ 4,511,206</u>	<u>\$ 3,837,468</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates—The following presents the total OPEB liability of the Police Jury, as well as what the Police Jury’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (4.00%) or 1 percentage-point higher (6.00%) than the current healthcare trend rates:

	Changes in healthcare cost trend rates		
	1% Decrease 4.00%	Discount Rate 5.00%	1% Increase 6.00%
Total OPEB liability	<u>\$ 3,760,690</u>	<u>\$ 4,511,206</u>	<u>\$ 5,481,043</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

9. Post Retirement Health Care and Life Insurance Benefits (continued)

For the year ended December 31, 2019, the Police Jury recognized OPEB expense of \$195,403. At December 31, 2019, the Police Jury did not report any deferred outflows of resources and deferred inflows of resources related to OPEB,

10. Capital Leases

The following is a summary of the long-term debt obligation transactions for the year ended December 31, 2019:

Beginning Balance	\$	294,650
Additions		161,953
Deductions		<u>(126,794)</u>
Ending Balance	\$	<u>329,809</u>
Due within one year	\$	96,213
Due in more than one year		<u>233,596</u>
	\$	<u>329,809</u>

As of December 31, 2019, annual debt service requirements for the Policy Jury's five capital leases to maturity are as follows:

Year ending	Principal	Interest
2020	\$ 96,213	\$ 14,269
2021	101,184	9,298
2022	101,775	4,128
2023	27,146	649
2024	<u>3,491</u>	<u>27</u>
	<u>\$ 329,809</u>	<u>\$ 28,371</u>

In accordance with Louisiana Revised Statute 39:562, the Police Jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the parish. At December 31, 2019, the statutory limit was \$25,664,452.

11. Workforce Investment Act Program

The Sabine Parish Police Jury participates in the Workforce Investment Act Program funded through the Louisiana Department of Labor by the United States Department of Labor. The Police Jury is a member of the Seventh Planning District, which is comprised of ten (10) parishes. On August 16, 1983, the members of the Seventh Planning District, consisting of the Parishes of Bienville, Bossier, Caddo, Claiborne, DeSoto, Lincoln, Natchitoches, Red River, Sabine, and Webster and the Seventh Planning District Service Delivery Area (SDA) Private Industry Council entered into an agreement. This agreement designated the president of the Sabine Parish Police Jury as the chief elected official of the SDA and the Sabine Parish Police Jury as the WIA grant recipient. This agreement names the Coordinating and Development Corporation (CDC) as the administrative entity.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

11. Workforce Investment Act Program (continued)

The SDA is comprised of three elements:

1. Private Industry Council (PIC) - Consists of 15 members representing a cross-section of the SDA population. The PIC is responsible for providing guidance for program development and for monitoring the operations of the administrative entity.
2. Designated Chief Elected Official - This is a police jury president elected by his peers from the Seventh Planning District. His responsibilities are the same as the PIC.
3. Administrative Entity - The organization selected by the PIC to administer the program is the Coordinating and Development Corporation (CDC) located in Shreveport, Louisiana. All action by the administrative entity must be approved by the PIC and the designated chief elected official.

In August 1983, the designated chief elected official notified the Assistant Secretary of Labor, State of Louisiana, that the Coordinating and Development Corporation (CDC) was designated as the administrative entity for the SDA and that all funds and copies of correspondence should be sent to the CDC. This notification also stated that all bookkeeping and program documents would be maintained by the CDC. Further, in February, 2016, the Sabine Parish Police Jury appointed the Executive Vice President of the CDC as the contracting officer for the WIA Program to act on behalf of the Police Jury. Since that date, the contracting officer has signed all documents on behalf of the grant recipient.

The Sabine Parish Police Jury is the designated grant recipient and (1) has accepted full responsibility for funds expended under the grant, (2) has assured the Louisiana Department of Labor that all funds provided will be expended according to limitations set forth in the Workforce Investment Act, federal and state regulations, and the approved job training plan, and (3) that it will reimburse the Louisiana Department of Labor for any questioned costs which are ultimately disallowed by the United States Department of Labor. Funds are provided by the Louisiana Department of Labor through a letter of credit arrangement into a bank account in the name of the CDC which operates the day-to-day activities of the program. This arrangement was authorized in September 1983, by the designated chief elected official.

12. Compensated Absences

Compensated absences represent accumulated and vested employee leave benefits computed in accordance with GASB Codification Section C60. For the portion of the salaries paid by the Sabine Parish Police Jury, the cost of current leave privileges, computed in accordance with GASB Codification Section C60 is recognized as current-year expenditure in the governmental funds when leave is actually taken. As of December 31, 2019, the Police Jury's compensated absences payable amounted to 13,743 hours with a resulting liability of \$193,999.

Changes in compensated absences during 2019 are as follows:

Beginning balance	\$ 225,268
Additions	67,510
Deductions	<u>(98,779)</u>
Available leave	<u>\$ 193,999</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

13. Commitments and Contingencies

Grant Audit

The Police Jury receives grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could result in a request for reimbursement for disallowed costs under the terms of the agreements. In the opinion of management, such disallowances, if any, would not be significant.

Lawsuits

During 2016, the Police Jury was involved in one lawsuit in which a judgement was rendered against the Police Jury. No funds have been appropriated as per La. R.S. 13:5109 by the Police Jury and legal counsel for the Police Jury has opined that no potential liability should be accrued.

14. Related Party Transactions

Procedures, observations, and inquiries did not disclose any related party transactions for the fiscal year ended December 31, 2019.

15. On-Behalf Payments

For 2019, the Parish received non-employer cash contributions to be used for retirement plan contributions on-behalf of the Parish's employees as follows:

Plan	Amount
Parochial Employees' Retirement System of Louisiana	\$ 18,785
Register of Voters Employees' Retirement System	\$ 2,595
District Attorneys' Retirement System	\$ 3,641

The Parish receives on-behalf payments from the State of Louisiana to be used to supplement the constable and justice of the peace pay. These payments totaled \$11,943 for the year ended December 31, 2019. Such payments are recorded as intergovernmental revenue and public safety expenses in the government-wide and general fund financial statements.

16. Deficit Fund Balances

The Witness Fees Fund is funded through court costs designated to pay for law enforcement officers who appear in court while off duty. Road Districts are funded through property taxes and transfers from other funds. The nonmajor Witness Fees and Road District 18 Special Revenue Funds have deficit fund balances at December 31, 2019, of \$54,906 and \$38,179, respectively.

17. Landfill Closure and Post Closure Costs

On April 29, 1994, the Sabine Parish Police Jury (the Parish) entered into a 25-year Landfill Solid Waste Management Contract (contract) with Transamerica Waste Industries, Inc. (Contractor) which transfers operation and maintenance of the Sabine Parish Landfill from the Parish to the Contractor. The contract was amended in October, 1997, to increase the royalty percentage paid to the Parish to 9 percent. This revenue is reported in the Sales Tax Fund.

The contract states that the contractor shall be solely responsible for properly closing the landfill and for all required post-closure activities and costs. Therefore, the Parish has not recognized any closure and post-closure costs relating to the operation of the Sabine Parish Landfill.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2019

17. Landfill Closure and Post Closure Costs (continued)

In April of 2019 the landfill solid waste management contract expired continuing on a month-to-month basis until the end of February, 2020. On March 1, 2020, the Police Jury began operating the landfill. It is management's opinion that there could be exposure for the Police Jury for a portion of the landfill's closing costs, but that the amount could not be measured at this time.

18. Subsequent Events

Management has evaluated subsequent events through October 30, 2020, which is the date the financial statements were available to be issued, and has concluded that there are no significant events requiring recognition or disclosure through that date.

In the spring of 2020, there was a global outbreak of a new strain on coronavirus, COVID-19. The public health crisis caused volatile economic conditions, impacting financial markets and disrupting general business activities across the United States. The timing and extent of the impact of COVID-19 on the Police Jury's current and future operations is unknown at the date of this report.

In September, 2020, Sabine Parish was declared a disaster area due to a hurricane (Laura). The Police Jury has not completed assessing the amount of damage at the date of this report.

Required Supplementary Information – Part II

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Taxes-ad valorem	\$ 835,621	\$ 890,989	\$ 965,379	\$ 74,390
Other taxes, licenses, & interest	108,000	138,100	130,005	(8,095)
Intergovernmental revenues:				
Federal funds	62,000	-	50,226	50,226
State funds	1,752,182	2,244,484	2,397,029	152,545
Fees, charges, & commissions	138,100	-	-	-
Use of money & property	103,500	136,024	148,034	12,010
Other revenues	1,050	13,746	93,200	79,454
Total Revenues	<u>3,000,453</u>	<u>3,423,343</u>	<u>3,783,873</u>	<u>360,530</u>
EXPENDITURES				
Current:				
General government:				
Legislative	285,075	310,046	266,326	43,720
Judicial	648,252	646,654	423,325	223,329
Elections	60,434	65,534	46,703	18,831
Finance and administrative:	510,965	572,598	295,106	277,492
Other	489,870	593,635	463,285	130,350
Public safety	533,431	679,095	686,386	(7,291)
Culture and recreation	32,000	32,961	1,161	31,800
Health and welfare	18,812	19,507	17,998	1,509
Economic development	41,107	41,107	32,441	8,666
Capital outlay	-	-	196,697	(196,697)
Total Expenditures	<u>2,619,946</u>	<u>2,961,137</u>	<u>2,429,428</u>	<u>531,709</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>380,507</u>	<u>462,206</u>	<u>1,354,445</u>	<u>892,239</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(33,000)	(711,276)	(433,000)	278,276
Total Other Financing Sources (Uses)	<u>(33,000)</u>	<u>(711,276)</u>	<u>(433,000)</u>	<u>278,276</u>
Net change in fund balance	347,507	(249,070)	921,445	1,170,515
Fund Balance - Beginning	8,232,957	8,232,957	8,232,957	-
Fund Balance - Ending	<u>\$ 8,580,464</u>	<u>\$ 7,983,887</u>	<u>\$ 9,154,402</u>	<u>\$ 1,170,515</u>

See the accompanying independent auditor's report and the notes to required supplementary information.

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
Transportation Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues:				
Parish transportation funds-Louisiana	\$ 295,000	\$ 340,000	\$ 364,717	\$ 24,717
Uses of money & property	5,000	18,000	19,752	1,752
Other revenues	-	29,810	29,810	-
Total Revenues	<u>300,000</u>	<u>387,810</u>	<u>414,279</u>	<u>26,469</u>
EXPENDITURES				
Current:				
Roads	3,119,925	3,259,950	2,527,379	732,571
Capital Outlay	-	-	241,852	(241,852)
Total Expenditures	<u>3,119,925</u>	<u>3,259,950</u>	<u>2,769,231</u>	<u>490,719</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,819,925)</u>	<u>(2,872,140)</u>	<u>(2,354,952)</u>	<u>517,188</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,760,000	2,865,676	2,760,000	(105,676.00)
Transfers out	-	(207,677)	(290,095)	(82,418)
Sale of capital assets	-	-	10,130	10,130
Total Other Financing Sources (Uses)	<u>2,760,000</u>	<u>2,657,999</u>	<u>2,480,035</u>	<u>(177,964)</u>
Net Change in Fund Balance	<u>(59,925)</u>	<u>(214,141)</u>	<u>125,083</u>	<u>339,224</u>
Fund Balance - Beginning	998,179	998,179	998,179	-
Fund Balance - Ending	<u>\$ 938,254</u>	<u>\$ 784,038</u>	<u>\$ 1,123,262</u>	<u>\$ 339,224</u>

See the accompanying independent auditor's report and the notes to required supplementary information.

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
Sales Tax Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes - sales tax	\$ 3,750,000	\$ 4,250,000	\$ 5,229,896	\$ 979,896
Fees, charges and commissions	58,000	130,000	141,845	11,845
Uses of money & property	20,000	50,000	54,187	4,187
Other revenues	-	14,239	14,239	-
Total Revenues	<u>3,828,000</u>	<u>4,444,239</u>	<u>5,440,167</u>	<u>995,928</u>
EXPENDITURES				
Current:				
General government finance & admin	87,000	197,000	135,635	61,365
Public Works Sanitation	883,959	1,022,761	831,498	191,263
Capital Outlay	-	1,250,000	768,463	481,537
Total Expenditures	<u>970,959</u>	<u>2,469,761</u>	<u>1,735,596</u>	<u>734,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,857,041</u>	<u>1,974,478</u>	<u>3,704,571</u>	<u>1,730,093</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,760,000)	(2,760,000)	(2,760,000)	-
Sale of capital assets	-	-	8,183	8,183
Total Other Financing Sources (Uses)	<u>(2,760,000)</u>	<u>(2,760,000)</u>	<u>(2,751,817)</u>	<u>8,183</u>
Net Change in Fund Balance	97,041	(785,522)	952,754	1,738,276
Fund Balance -Beginning	<u>2,270,770</u>	<u>2,270,770</u>	<u>2,270,770</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,367,811</u>	<u>\$ 1,485,248</u>	<u>\$ 3,223,524</u>	<u>\$ 1,738,276</u>

See the accompanying independent auditor's report and the notes to required supplementary information.

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
Road District 11 Fund
Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 381,521	\$ 338,303	\$ 247,401	\$ (90,902)
Intergovernmental Revenues:				
Federal grants	-	-	-	-
State revenue sharing	4,092	4,020	4,186	166
Road damage reimbursement	-	111,594	111,383	(211)
Uses of Money & Property	12,000	18,000	19,860	1,860
Other Revenues	-	1,000	1,000	-
Total Revenues	<u>397,613</u>	<u>472,917</u>	<u>383,830</u>	<u>(89,087)</u>
EXPENDITURES				
Current:				
General government	14,059	14,578	14,777	(199)
Public Works: Roads	767,400	758,055	301,081	456,974
Capital Outlay	-	-	361	(361)
Total Expenditures	<u>781,459</u>	<u>772,633</u>	<u>316,219</u>	<u>456,414</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(383,846)</u>	<u>(299,716)</u>	<u>67,611</u>	<u>367,327</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	40,000	40,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(383,846)</u>	<u>(259,716)</u>	<u>107,611</u>	<u>367,327</u>
Fund Balance - Beginning	1,131,008	1,131,008	1,131,008	-
Fund Balance - Ending	<u>\$ 747,162</u>	<u>\$ 871,292</u>	<u>\$ 1,238,619</u>	<u>\$ 367,327</u>

See the accompanying independent auditor's report and the notes to required supplementary information.

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
Health Unit Fund
Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 181,815	\$ 191,729	\$ 210,041	\$ 18,312
Intergovernmental Revenues:				
State revenue sharing	6,348	6,382	6,429	47
Uses of money & property	27,500	36,723	39,204	2,481
Total Revenues	<u>215,663</u>	<u>234,834</u>	<u>255,674</u>	<u>20,840</u>
EXPENDITURES				
Current:				
General government	6,700	7,963	8,099	(136)
Health and welfare	117,810	117,810	102,214	15,596
Total Expenditures	<u>124,510</u>	<u>125,773</u>	<u>110,313</u>	<u>15,460</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>91,153</u>	<u>109,061</u>	<u>145,361</u>	<u>36,300</u>
Net Change in Fund Balance	91,153	109,061	145,361	36,300
Fund Balance - Beginning	<u>2,127,139</u>	<u>2,127,139</u>	<u>2,127,139</u>	-
Fund Balance - Ending	<u>\$ 2,218,292</u>	<u>\$ 2,236,200</u>	<u>\$ 2,272,500</u>	<u>\$ 36,300</u>

See the accompanying independent auditor's report and the notes to required supplementary information.

**Sabine Parish Police Jury
Many, Louisiana**

**Budgetary Comparison Schedule
WIA Fund
Year Ended December 31, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 2,070,000	\$ 3,671,078	\$ 4,084,800	\$ 413,722
EXPENDITURES				
Current:				
Economic Development:	2,070,000	3,671,078	4,084,800	\$ 413,722
Total expenditures	2,070,000	3,671,078	4,084,800	413,722
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

See the accompanying independent auditor's report and the notes to required supplementary information.

**Sabine Parish Police Jury
Many, Louisiana**

**Schedule of Changes in Net OPEB Liability and Related Ratios
Year Ended December 31, 2019**

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 133,153	\$ 127,909
Interest cost	174,644	172,192
Changes in benefit terms	-	-
Differences between expected and actual experience	-	-
Changes in assumptions	-	-
Benefit payments	<u>(112,394)</u>	<u>(112,394)</u>
Net change in total OPEB liability	<u>195,403</u>	<u>187,707</u>
Total OPEB liability-beginning	4,315,803	4,128,096
Total OPEB liability-ending	<u><u>\$ 4,511,206</u></u>	<u><u>\$ 4,315,803</u></u>
Covered-employee payroll	\$ 884,711	\$ 884,711
Net OPEB liability as a percentage of covered-employee payroll	509.91%	487.82%

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

See the accompanying independent auditor's report and the notes to required supplementary information.

**Sabine Parish Police Jury
Many, Louisiana**

**Schedule of Employer's Share of Net Pension Liability
Year Ended December 31, 2019**

Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's 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 Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
Parochial Employees' Retirement System (PERS)					
2019	0.23655%	\$ 1,091,055	\$ 1,504,002	73%	94.1%
2018	0.25039%	\$ (185,852)	\$ 1,542,887	-12%	95.5%
2017	0.24021%	\$ 494,724	\$ 1,424,597	32%	94.1%
2016	0.25280%	\$ 665,429	\$ 1,449,428	47%	92.2%
2015	0.23655%	\$ 64,676	\$ 1,355,036	5%	99.1%
District Attorneys' Retirement System (DARS)					
2019	0.03878%	\$ 12,475	\$ 22,775	9%	93.1%
2018	0.03663%	\$ 11,788	\$ 22,775	32%	98.6%
2017	0.03748%	\$ 10,109	\$ 22,775	44%	93.6%
2016	0.03763%	\$ 7,203	\$ 22,775	32%	95.1%
2015	0.03644%	\$ 1,963	\$ 21,375	9%	98.6%
Registrar of Voters Employees' Retirement System (ROVERS)					
2019	0.08673%	\$ 21,501	\$ 11,911	136%	84.83%
2018	0.08585%	\$ 20,265	\$ 11,911	170%	80.60%
2017	0.08696%	\$ 19,089	\$ 11,911	160%	80.50%
2016	0.08671%	\$ 24,605	\$ 11,911	207%	74.00%
2015	0.08779%	\$ 21,501	\$ 17,911	120%	76.90%

*Amounts presented were determined as of the measurement date of the net pension liability

See the accompanying independent auditor's report and the notes to required supplementary information.

**Sabine Parish Police Jury
Many, Louisiana**

**Schedule of Employer's Pension Contributions
Year Ended December 31, 2019**

Year	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Parochial Employees' Retirement System (PERS)					
2019	\$ 161,442	\$ 161,442	\$ -	\$ 1,403,838	14.5%
2018	\$ 175,548	\$ 175,548	\$ -	\$ 1,504,002	14.0%
2017	\$ 192,862	\$ 192,862	\$ -	\$ 1,542,887	12.5%
2016	\$ 185,198	\$ 185,198	\$ -	\$ 1,424,597	13.0%
2015	\$ 210,167	\$ 210,167	\$ -	\$ 1,449,428	14.5%
District Attorneys' Retirement System (DARS)					
2019	\$ 598	\$ 598	\$ -	\$ 22,775	2.63%
2018	\$ 142	\$ 142	\$ -	\$ 22,775	0.63%
2017	\$ -	\$ -	\$ -	\$ 22,775	0.00%
2016	\$ 399	\$ 399	\$ -	\$ 22,775	1.75%
2015	\$ 1,196	\$ 1,196	\$ -	\$ 22,775	5.25%
Registrar of Voters Employees' Retirement System (ROVERS)					
2019	\$ 2,888	\$ 2,888	\$ -	\$ 11,911	17.00%
2018	\$ 2,025	\$ 2,025	\$ -	\$ 11,911	17.00%
2017	\$ 2,204	\$ 2,204	\$ -	\$ 11,911	18.50%
2016	\$ 2,531	\$ 2,531	\$ -	\$ 11,911	21.20%
2015	\$ 2,784	\$ 2,784	\$ -	\$ 17,911	16.13%

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

See the accompanying independent auditor's report and the notes to required supplementary information.

**Sabine Parish Police Jury
Many, Louisiana**

**Schedule of Compensation, Benefits and Other Payments
To Agency Head or Chief Executive Officer
Year Ended December 31, 2019**

William Weatherford, Secretary-Treasurer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 69,507
Benefits-Insurance	37,383
Benefits-Retirement	7,993
Deferred Compensation	4,309
Car allowance	-
Per diem	-
Reimbursements	648
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 119,840</u>

This schedule is included as required by Louisiana R. S. 24:513(A)(3).

See the accompanying independent auditor's report..

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to Required Supplementary Information
Year Ended December 31, 2019

Budgetary Information

The budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Budgets for the governmental funds are adopted annually on the modified accrual basis of accounting. Budgets for some capital project funds are adopted on a project-length basis. Because the budgets adopted on a project-length basis primarily serve as a management control function, no comparison between budgeted and actual amounts for major funds (if any) budgeted on this basis is provided in these financial statements.

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

Preliminary budgets for the ensuing year are prepared by the treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. Usually during its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are usually adopted during the regular December meeting and notice is published in the official journal.

Louisiana Revised Statute (LSA-R.S.) 39:1311 requires the chief executive or administrative officer of the Police Jury to advise the Jury in writing when:

1. Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.
2. Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.
3. Actual beginning fund balance, within a fund, fails to meet estimated fund balance by five percent or more and fund balance is being used to fund current year expenditures.

The treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the Police Jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functional levels, the treasurer has the authority to make amendments as necessary.

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

Schedule of Changes in Net OPEB Liability and Related Ratios

There were no changes of benefit terms or changes in assumptions for the year ended December 31 2019.

Pension Information

The pension schedules are intended to show information for ten years. Additional years will be displayed as they become available.

Other Supplementary Information

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Other Nonmajor Governmental Funds
Year Ended December 31, 2019**

Road Districts' Maintenance Funds

The Road Districts are separate taxing districts which levy ad valorem taxes at varying millages. The revenues collected by the individual road districts can only be expended within that district.

Criminal Juror Fees Fund

The Criminal Juror Fees Fund maintains the court costs assessed and collected from criminal defendants who are convicted or plead guilty or no contest in district court. From these costs the police jury pays the compensation and mileage for jurors as required by R. S. 3049.

Criminal Court Fund

The Criminal Court Fund is a special revenue fund established by state statute to report fines and forfeitures imposed by the Eleventh Judicial District Criminal Court and District Attorney conviction fees in criminal cases. These fees are used for expenses of the criminal court of the parish.

Witness Fees Fund

The Witness Fee Fund accounts for fees collected in court proceedings to reimburse other governmental entities for the expense of off-duty law enforcement personnel to be witnesses in court.

Industrial District No. 1.

The Industrial District No. 1 Fund accounts for the accumulated balance remaining from servicing the debt on industrial development bonds.

SABINE PARISH POLICE JURY
Many, Louisiana

Combining Balance Sheet
Other Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue						Total
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1	Grant Fund	
ASSETS							
Cash and cash equivalents	\$ 2,121,788	\$ 7,570	\$ 21,518	\$ -	\$ 90,950	\$ -	\$ 2,241,826
Revenue receivables	2,494,022	331	10,649	1,929	-	-	2,506,931
Prepaid expenses	3,790	-	24	-	-	-	3,814
Due from other governments	-	-	-	-	-	-	-
Total Assets	<u>\$ 4,619,600</u>	<u>\$ 7,901</u>	<u>\$ 32,191</u>	<u>\$ 1,929</u>	<u>\$ 90,950</u>	<u>\$ -</u>	<u>\$ 4,752,571</u>
LIABILITIES							
Accounts payable	\$ 174,934	\$ -	\$ 12,740	\$ 1,012	\$ -	\$ -	\$ 188,686
Due to other funds	205,807	-	-	-	-	-	205,807
Master bank overdrafts	7,798	-	-	55,823	-	-	63,621
Total Liabilities	<u>\$ 388,539</u>	<u>\$ -</u>	<u>\$ 12,740</u>	<u>\$ 56,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 458,114</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable federal grants	\$ 221,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,577
Unavailable property taxes	214,288	-	-	-	-	-	214,288
Total Deferred Inflows of Resources	<u>\$ 435,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435,865</u>
FUND BALANCES							
Nonspendable	\$ 3,790	\$ -	\$ 24	\$ -	\$ -	\$ -	\$ 3,814
Restricted to:							
Judicial	-	-	19,427	-	-	-	19,427
Roads	3,791,406	-	-	-	-	-	3,791,406
Witness and juror fees	-	7,901	-	(54,906)	-	-	(47,005)
Economic development	-	-	-	-	90,950	-	90,950
Total Fund Balances	<u>\$ 3,795,196</u>	<u>\$ 7,901</u>	<u>\$ 19,451</u>	<u>\$ (54,906)</u>	<u>\$ 90,950</u>	<u>\$ -</u>	<u>\$ 3,858,592</u>
Total Liabilities & Fund Balances	<u>\$ 4,619,600</u>	<u>\$ 7,901</u>	<u>\$ 32,191</u>	<u>\$ 1,929</u>	<u>\$ 90,950</u>	<u>\$ -</u>	<u>\$ 4,752,571</u>

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

SABINE PARISH POLICE JURY
Many, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue					Grant Fund	Total
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1		
REVENUES							
Taxes:							
Ad valorem	\$ 2,432,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,432,383
Intergovernmental revenues: State funds							
State revenue sharing	72,851	-	-	-	-	-	72,851
Fines and forfeitures	-	2,999	235,019	28,643	-	-	266,661
Investment earnings	65,645	178	-	-	1,674	-	67,497
Road damage reimbursements	129,492	-	-	-	-	-	129,492
Other revenue	50,416	-	63	-	-	-	50,479
Contributions	10,000	-	-	-	-	-	10,000
Total Revenues	<u>2,760,787</u>	<u>3,177</u>	<u>235,082</u>	<u>28,643</u>	<u>1,674</u>	<u>-</u>	<u>3,029,363</u>
EXPENDITURES							
Current:							
General government							
Judicial	-	4,959	270,523	25,137	-	-	300,619
Other general government	90,115	-	-	-	-	-	90,115
Public Works	2,798,501	-	-	-	-	-	2,798,501
Capital outlay	191,508	-	-	-	-	30,262	221,770
Debt service							
Principal	126,794	-	-	-	-	-	126,794
Interest	19,513	-	-	-	-	-	19,513
Total Expenditures	<u>3,226,431</u>	<u>4,959</u>	<u>270,523</u>	<u>25,137</u>	<u>-</u>	<u>30,262</u>	<u>3,557,312</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(465,644)</u>	<u>(1,782)</u>	<u>(35,441)</u>	<u>3,506</u>	<u>1,674</u>	<u>(30,262)</u>	<u>(527,949)</u>
OTHER FINANCING SOURCES (USES)							
Sale of assets	30,095	-	-	-	-	-	30,095
Proceeds from issuance of debt	161,952	-	-	-	-	-	161,952
Transfers in	650,095	-	33,000	-	-	30,262	713,357
Transfers out	(30,262)	-	-	-	-	-	(30,262)
Total Other Financing Sources and Uses	<u>811,880</u>	<u>-</u>	<u>33,000</u>	<u>-</u>	<u>-</u>	<u>30,262</u>	<u>875,142</u>
Net Change in Fund Balance	346,236	(1,782)	(2,441)	3,506	1,674	-	347,193
Fund Balances - Beginning	3,448,960	9,683	21,892	(58,412)	89,276	-	3,511,399
Fund Balances - Ending (Deficit)	<u>\$ 3,795,196</u>	<u>\$ 7,901</u>	<u>\$ 19,451</u>	<u>\$ (54,906)</u>	<u>\$ 90,950</u>	<u>\$ -</u>	<u>\$ 3,858,592</u>

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

SABINE PARISH POLICE JURY
Many, Louisiana

Combining Balance Sheet
Nonmajor Road District Funds
For the Year Ended December 31, 2019

	Special Revenue									Total
	District 1	District 9	District 4	District 15	District 16	District 17	District 18	District 19	District 20	
ASSETS										
Cash and cash equivalents	\$ 576,068	\$ 223,067	\$ 508,290	\$ 75,278	\$ 116,977	\$ 85,428	\$ -	\$ 495,456	\$ 41,224	\$ 2,121,788
Revenue receivables	475,177	318,722	307,869	341,054	170,474	408,069	198,101	180,487	94,069	2,494,022
Prepaid expenses	346	289	645	665	289	573	542	226	215	3,790
Total Assets	<u>\$ 1,051,591</u>	<u>\$ 542,078</u>	<u>\$ 816,804</u>	<u>\$ 416,997</u>	<u>\$ 287,740</u>	<u>\$ 494,070</u>	<u>\$ 198,643</u>	<u>\$ 676,169</u>	<u>\$ 135,508</u>	<u>\$ 4,619,600</u>
LIABILITIES										
Accounts payable	\$ 31,751	\$ 35,321	\$ 14,342	\$ 21,190	\$ 28,670	\$ 19,002	\$ 9,864	\$ 7,390	\$ 7,404	\$ 174,934
Due to other funds	-	-	-	-	-	-	205,807	-	-	205,807
Master bank overdrafts	-	-	-	-	-	-	7,798	-	-	7,798
Total Liabilities	<u>\$ 31,751</u>	<u>\$ 35,321</u>	<u>\$ 14,342</u>	<u>\$ 21,190</u>	<u>\$ 28,670</u>	<u>\$ 19,002</u>	<u>\$ 223,469</u>	<u>\$ 7,390</u>	<u>\$ 7,404</u>	<u>\$ 388,539</u>
DEFERRED INFLOWS OF RESOURCES										
Unavailable federal grants	\$ -	\$ 39,404	\$ -	\$ -	\$ 182,173	\$ -	\$ -	\$ -	\$ -	\$ 221,577
Unavailable property taxes	29,888	25,550	19,559	50,578	17,069	37,527	13,353	16,249	4,515	214,288
Total Deferred Inflows of Resources	<u>\$ 29,888</u>	<u>\$ 64,954</u>	<u>\$ 19,559</u>	<u>\$ 50,578</u>	<u>\$ 199,242</u>	<u>\$ 37,527</u>	<u>\$ 13,353</u>	<u>\$ 16,249</u>	<u>\$ 4,515</u>	<u>\$ 435,865</u>
FUND BALANCES										
Nonspendable	\$ 346	\$ 289	\$ 645	\$ 665	\$ 289	\$ 573	\$ 542	\$ 226	\$ 215	3,790
Restricted to:										
Roads	989,606	441,514	782,258	344,564	59,539	436,968	(38,721)	652,304	123,374	3,791,406
Total Fund Balances	<u>\$ 989,952</u>	<u>\$ 441,803</u>	<u>\$ 782,903</u>	<u>\$ 345,229</u>	<u>\$ 59,828</u>	<u>\$ 437,541</u>	<u>\$ (38,179)</u>	<u>\$ 652,530</u>	<u>\$ 123,589</u>	<u>\$ 3,795,196</u>
Total Liabilities & Fund Balances	<u>\$ 1,051,591</u>	<u>\$ 542,078</u>	<u>\$ 816,804</u>	<u>\$ 416,997</u>	<u>\$ 287,740</u>	<u>\$ 494,070</u>	<u>\$ 198,643</u>	<u>\$ 676,169</u>	<u>\$ 135,508</u>	<u>\$ 4,619,600</u>

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

SABINE PARISH POLICE JURY
Many, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Road District Funds
For the Year Ended December 31, 2019

	Special Revenue									Total
	District 1	District 9	District 4	District 15	District 16	District 17	District 18	District 19	District 20	
REVENUES										
Taxes:										
Ad valorem	\$ 550,554	\$ 301,817	\$ 289,830	\$ 311,432	\$ 160,996	\$ 377,950	\$ 185,333	\$ 165,556	\$ 88,915	\$ 2,432,383
Intergovernmental revenues:										
Federal grants	-	-	-	-	-	-	-	-	-	-
State funds:										
State revenue sharing	8,547	9,756	3,389	13,585	5,653	15,329	7,141	5,420	4,031	72,851
Investment earnings	17,772	6,652	12,405	5,476	3,256	8,101	1,412	9,347	1,224	65,645
Road damage reimbursements	-	60,000	2,335	-	3,497	60,551	3,109	-	-	129,492
Other revenue	4,000	5,444	13,000	972	-	12,000	3,000	3,000	9,000	50,416
Contributions	-	10,000	-	-	-	-	-	-	-	10,000
Total Revenues	<u>580,873</u>	<u>393,669</u>	<u>320,959</u>	<u>331,465</u>	<u>173,402</u>	<u>473,931</u>	<u>199,995</u>	<u>183,323</u>	<u>103,170</u>	<u>2,760,787</u>
EXPENDITURES										
Current:										
General government - other	16,925	11,842	10,923	12,052	6,319	14,972	7,180	6,458	3,444	90,115
Public works	580,559	289,952	311,170	332,610	158,314	668,117	241,400	71,784	144,595	2,798,501
Capital Outlays	361	68,075	35,753	-	50,831	-	735	-	35,753	191,508
Debt service										
Principal	-	11,422	4,229	37,992	11,422	34,269	23,231	-	4,229	126,794
Interest	-	2,456	1,047	1,351	2,456	6,902	4,254	-	1,047	19,513
Total Expenditures	<u>597,845</u>	<u>383,747</u>	<u>363,122</u>	<u>384,005</u>	<u>229,342</u>	<u>724,260</u>	<u>276,800</u>	<u>78,242</u>	<u>189,068</u>	<u>3,226,431</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(16,972)</u>	<u>9,922</u>	<u>(42,163)</u>	<u>(52,540)</u>	<u>(55,940)</u>	<u>(250,329)</u>	<u>(76,805)</u>	<u>105,081</u>	<u>(85,898)</u>	<u>(465,644)</u>
OTHER FINANCING SOURCES (USES)										
Sale of assets	-	5,535	2,271	311	5,535	6,166	9,520	-	757	30,095
Proceeds from issuance of debt	-	49,722	31,254	-	49,722	-	-	-	31,254	161,952
Transfers in	40,000	40,000	40,000	40,000	40,000	247,677	85,378	40,000	77,040	650,095
Transfers out	-	-	-	-	-	(30,262)	-	-	-	(30,262)
Total Other Financing Sources and Uses	<u>40,000</u>	<u>95,257</u>	<u>73,525</u>	<u>40,311</u>	<u>95,257</u>	<u>223,581</u>	<u>94,898</u>	<u>40,000</u>	<u>109,051</u>	<u>811,880</u>
Net Change in Fund Balance	23,028	105,179	31,362	(12,229)	39,317	(26,748)	18,093	145,081	23,153	346,236
Fund Balances - Beginning	966,924	336,624	751,541	357,458	20,511	464,289	(56,272)	507,449	100,436	3,448,960
Fund Balances - Ending	<u>\$ 989,952</u>	<u>\$ 441,803</u>	<u>\$ 782,903</u>	<u>\$ 345,229</u>	<u>\$ 59,828</u>	<u>\$ 437,541</u>	<u>\$ (38,179)</u>	<u>\$ 652,530</u>	<u>\$ 123,589</u>	<u>\$ 3,795,196</u>

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

SABINE PARISH POLICE JURY
Many, Louisiana

Schedule of Compensation Paid to Police Jurors
For the Year Ended December 31, 2019

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method the jurors, except for the president, received \$800 per month for January and February and \$1,200 per month for the following months for performing the duties of their office. The president of the Police Jury receives an additional \$100 each month.

Juror	District	Per Diem	Reimbursed Expenses	Total
Willes Funderburk	One	\$ 13,600	\$ 796	\$ 14,396
Mike McCormic	Two	13,600	3,814	17,414
Charlie Bown	Three	13,600	718	14,318
William E. Ruffin	Four	13,600	1,074	14,674
Ronny Bison- President	Five	14,800	320	15,120
Eric Garcie	Six	13,600	413	14,013
Ricky Sepulvado	Seven	13,600	712	14,312
Kenneth M. Ebarb	Eight	13,600	458	14,058
Randy Byrd	Nine	13,600	362	13,962
Total		<u>\$ 123,600</u>	<u>\$ 8,667</u>	<u>\$ 132,267</u>

*The term of current police jurors expires on January 12, 2020.

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

**Sabine Parish Police Jury
Many, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019**

Federal Grantor/Pass-through Grantor/Program Title	CFDA NUMBER	Federal Revenues	Federal Expenditures	Amount Provided Subrecipients
United States Department of Labor:				
WorkForce Investment Act Cluster:				
Adult Program	17.258	\$ 1,294,122	\$ 1,294,122	1,294,122
Adult Administration	17.258	137,119	137,119	137,119
Transfer -Adult	17.258	551,121	551,121	551,121
Youth Program	17.259	1,031,007	1,031,007	1,031,007
Youth Administration	17.259	159,601	159,601	159,601
Dislocated Workers Program	17.278	776,277	776,277	776,277
Dislocated Workers Administration	17.278	135,553	135,553	135,553
Total United States Department of Labor		\$ 4,084,800	\$ 4,084,800	\$ 4,084,800
United States Department of Homeland Security				
Passed through Governor's Office of Homeland Security and Emergency Preparedness				
Emergency Management Performance Grants	97.042	\$ 50,226	\$ 50,226	\$ -
Total United States Department of Health and Human Services		\$ 50,226	\$ 50,226	\$ -
Total Federal Financial Assistance		\$ 4,135,026	\$ 4,135,026	\$ 4,084,800

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

**Sabine Parish Police Jury
Many, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Sabine Parish Police Jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

OTHER REPORTS



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

To the Jury Members of the
Sabine Parish Police Jury

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sabine Parish Police Jury as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Sabine Parish Police Jury's basic financial statements and have issued our report thereon dated October 30, 2020..

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sabine Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws,

regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2019-1.

Sabine Parish Police Jury's Response to Finding

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

Purpose of this Report

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

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC

October 30, 2020
Mansfield, Louisiana



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

To the Jury Members of the
Sabine Parish Police Jury

Report on Compliance for Each Major Federal Program

We have audited the Sabine Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Sabine Parish Police Jury's major federal programs for the year ended December 31, 2019. The Sabine Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Sabine Parish Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

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

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

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

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

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC

October 30, 2020
Mansfield, Louisiana

SABINE PARISH POLICE JURY
Many, Louisiana

Schedule of Findings and Questioned Costs
Year Ended December 31, 2019

A. SUMMARY OF AUDIT RESULTS

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

1. Since the Jury did not present all of its component units, an adverse opinion was issued for the Sabine Parish Police Jury as a reporting entity; however, an unmodified opinion was issued on the primary government financial statements of the Sabine Parish Police Jury as of and for the year ended December 31, 2019.
2. The audit disclosed no significant deficiency or material weaknesses in internal control.
3. The audit disclosed one instance of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any significant deficiencies in internal control over a major program.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed no findings related to federal awards that is required to be reported under the Uniform Guidance
7. The following program was major for the year ended December 31, 2019:
 - o Workforce Investment Act Cluster (CFDA 17.258, 17.259, and 17.278)
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The Sabine Parish Police Jury qualifies as a low risk auditee.

B. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

Internal control-None noted

Compliance

2019-1 Deficit Fund Balance--Witness Fees Fund

Criteria - Louisiana Revised Statutes require the collection of fees in order to pay off-duty law enforcement officers to be present as a witness in any criminal case. R.S. 15:255(A)(2) states "The judge shall, as the need of the special fund require, adjust the schedule of costs to insure that the proceeds are adequate to fully pay the witness fees herein provided."

Finding - For the year ended December 31, 2019, the Police Jury Witness Fee Fund has a deficit fund balance of \$54,906 This is a decrease in the deficit from the prior year of \$3,506

Cause – The current fee schedule does not assess adequate funds necessary to pay witness fees.

Effect – The costs of the witness fees are not being covered by the costs collected by the courts.

Recommendation – The judge should increase the court costs in order to fund the actual costs of the witness fees and eliminate the deficit fund balance in the Witness Fees Fund.

**Sabine Parish Police Jury
Many, Louisiana**

**Status of Prior Year Findings
Year Ended December 31, 2019**

2018-1, 2017-2, 2016-3 2015-1. Deficit in Witness Fees Fund Unresolved See 2019-1



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Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Jury Members of the Sabine Parish Police Jury and
The Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Sabine Parish Police Jury ("SPPJ") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The SPPJ's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and were not found to address the functions noted above.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and were not found to address the functions noted above.

- c) **Disbursements**, including processing, reviewing, and approving.

Written policies and procedures were obtained and were not found to address the functions noted above.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and were not found to address the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Written policies and procedures were obtained and were not found to address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and were not found to address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and were not found to address the functions noted above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and were found to address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Written policies and procedures were obtained and were not found to address the functions noted above.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and were not found to address the functions noted above.

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and were not found to address the functions noted above.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

2. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

A listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete were obtained.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions were noted as a result of this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No actual cost reimbursement reviewed.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were noted as a result of this procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were noted as a result of this procedure.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, LA
October 30, 2020

OFFICE OF
SABINE PARISH POLICE JURY

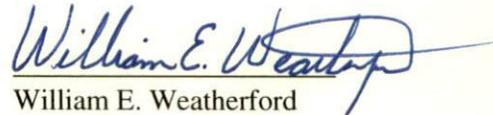
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Management's Response to Finding

The management of the Sabine Parish Police Jury offers the following response to the finding identified in the annual financial audit for the year ended December 31, 2019:

2019-1 Deficit Fund Balance – Witness Fees Fund

The Witness Fees Fund has reported a deficit fund balance for several years. During 2018, the district judge increased court costs to properly fund the Witness Fees Fund and alleviate the deficit. The decrease in fund deficit reported in 2019 is an indication that the court fees are now adequate to pay annual witness fees and, over time, will eliminate the fund deficit.



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