

SABINE PARISH POLICE JURY
Many, Louisiana

ANNUAL FINANCIAL REPORT

December 31, 2020

SABINE PARISH POLICE JURY
Many, Louisiana

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Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Jury Members of the
Sabine Parish Police Jury
400 Capitol St. Room 101
Many, Louisiana 71449

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 Police Jury), Many, Louisiana, as of and for the year ended December 31, 2020, 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, 2020, 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, 2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information 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 1) required supplementary information – part II, 2) other required supplementary information and the 3) 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, the other required supplementary information 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 November 29, 2021, 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.

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC

November 29, 2021
Mansfield, Louisiana

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

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, 2020. 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 2020 fiscal year include the following:

- As of March 1, 2020, the Sabine Parish Police Jury assumed operation of the Sabine Parish Sanitary Landfill. The results of this operation are reported as a Business-Type Activity in the Government-wide Financial Statements and as a Proprietary Fund in the Fund Financial Statements.
- The Sabine Parish Police Jury has cash and cash equivalents totaling \$17,501,631 as of December 31, 2020, compared to \$16,926,471 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 \$28,002,070 (net position). Of this amount, \$19,027,856 represents the net investment in capital assets and \$58,790 is prepaid expenses. \$10,549,088 is restricted to use for specific purposes by the related tax propositions, laws or regulations of other governments, or grantor agreements. The Police Jury had a deficit of \$1,633,664 in unrestricted net position.
- The total net position of the Police Jury decreased by \$5,019,323 during the year ended December 31, 2020, primarily as a result of recognition of \$7,639,278 in closure and post-closure costs as a liability associated with the operation of the Parish's sanitary landfill.

- The Police Jury's cash and cash equivalents increased by \$575,160 during the current year.
- Revenue receivables and amounts due from other governments increased \$541,206.
- Net capital assets increased \$2,888,484 during the current year.
- Total deferred outflows of resources increased \$664,414 as of the end of the current year.
- Accounts payable increased \$519, 514 as of December 31, 2020.
- The amount due for payment of capital leases increased \$461,233 during the year ended December 31, 2020.
- As of the close of the fiscal year, the Police Jury's governmental funds reported a combined ending fund balance of \$20,733,984 a decrease of \$86,689 (.42%) in comparison with the prior fiscal year. Of this amount, \$9,392,917 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 \$9,392,917 or 320.69% of total General Fund expenditures for 2020.

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 costs 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 and intergovernmental revenues (governmental activities) from 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, economic development, and interest on long-term debt. The business-type activities of the Police Jury include the Sabine Parish Solid Waste Landfill. 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. 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 can be divided into two categories – governmental funds and proprietary 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, Road District 16 Fund, Health Unit Fund, and the WIA Fund, all of which are considered to be major funds. Data for the other 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.

Proprietary Funds – The Police Jury maintains only one type of proprietary fund called an enterprise fund which is used to report the same functions presented as business-type activities in the government-wide financial statements. The Police Jury uses the enterprise fund to account for its sanitary landfill operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Landfill Fund. The basic proprietary fund financial statements can be found on pages 29 through 31 of this report.

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 33 through 66.

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, a schedule of compensation, benefits and other payments to agency head or chief executive officer, and a schedule of justice system funding.

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 Sabine Parish Police Jury, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$28,002,070 as of December 31, 2020, which is a decrease of \$5,019,323 from December 31, 2019.

The largest portion of the Police Jury's ending net position, \$19,027,856 (67.95%) represents the 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.

\$10,607,878 of net position is restricted. Prepaid insurance totaling \$58,790 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. \$10,549,088 is restricted by the related tax proposition, grantor agreement, or laws or regulations of other governments.

The Sabine Parish Police Jury is reporting a deficit unrestricted net position of \$1,633,664.

Sabine Parish Police Jury's Net Position

	As of December 31, 2020			As of December 31, 2019		
	Governmental	Business-Type		Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Current and other assets	\$ 22,886,883	\$ 419,498	\$ 23,306,381	\$ 22,268,691	-	\$ 22,268,691
Capital Assets, net	17,773,130	2,045,768	19,818,898	16,930,414	-	16,930,414
Total assets	\$ 40,660,013	\$ 2,465,266	\$ 43,125,279	\$ 39,199,105	-	\$ 39,199,105
Deferred outflows of resources	\$ 1,640,036	\$ -	\$ 1,640,036	\$ 975,622	-	\$ 975,622
Current and other liabilities	\$ 1,555,128	\$ 228,730	\$ 1,783,858	\$ 1,015,484	-	\$ 1,015,484
Long-term liabilities	5,925,088	8,072,906	13,997,994	6,058,549	-	6,058,549
Total liabilities	\$ 7,480,216	\$ 8,301,636	\$ 15,781,852	\$ 7,074,033	-	\$ 7,074,033
Deferred inflows of resources	\$ 981,393	\$ -	\$ 981,393	\$ 79,301	-	\$ 79,301
Net position:						
Net investment in capital assets	\$ 17,539,534	\$ 1,488,322	\$ 19,027,856	\$ 16,600,605	-	\$ 16,600,605
Restricted	10,584,127	23,751	10,607,878	10,756,598	-	10,756,598
Unrestricted - (Deficit)	5,714,779	(7,348,443)	(1,633,664)	5,664,190	-	5,664,190
Total net position	\$ 33,838,440	\$ (5,836,370)	\$ 28,002,070	\$ 33,021,393	-	\$ 33,021,393

The Police Jury's net position decreased by \$5,019,323 during the fiscal year ended December 31, 2020. The following table provides a summary of the Police Jury's operations for the years ended December 31, 2020, and December 31, 2019.

Sabine Parish Police Jury's Changes in Net Position

	As of December 31, 2020			As of December 31, 2019		
	Governmental	Business-Type	<u>Total</u>	Governmental	Business-Type	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Program Revenues:						
Charges for services	\$ 399,658	\$ 2,003,925	\$ 2,403,583	\$ 538,511	\$ -	\$ 538,511
Operating grants and contributions	3,766,496	978	3,767,474	4,762,561	-	4,762,561
Capital grants and contributions	1,372,703	-	1,372,703	-	-	-
General Revenues:						
Ad valorem taxes	4,344,810	-	4,344,810	4,080,687	-	4,080,687
Sales taxes	4,967,662	-	4,967,662	5,229,896	-	5,229,896
Severance taxes	1,193,472	-	1,193,472	2,062,611	-	2,062,611
Excise taxes	13,825	-	13,825	12,318	-	12,318
State public works grants	79,428	-	79,428	-	-	-
State fire rebate	233,337	-	233,337	230,382	-	230,382
State revenue sharing	113,368	-	113,368	113,015	-	113,015
Gain (loss) on disposal of assets	3,105	400	3,505	(18,825)	-	(18,825)
Rents and royalties	82,778	-	82,778	81,616	-	81,616
Investment earnings	106,951	-	106,951	348,534	-	348,534
Other general revenues	93,145	-	93,145	132,127	-	132,127
Total Revenues	\$ 16,770,738	\$ 2,005,303	\$ 18,776,041	\$ 17,573,433	\$ -	\$ 17,573,433
Expenses:						
General government	\$ 2,269,412	\$ -	\$ 2,269,412	\$ 2,244,555	\$ -	\$ 2,244,555
Public safety	762,559	-	762,559	711,504	-	711,504
Roads and bridges	6,885,166	-	6,885,166	6,462,421	-	6,462,421
Sanitation	1,001,503	1,657,698	2,659,201	858,366	-	858,366
Health and welfare	134,182	-	134,182	135,128	-	135,128
Economic development	3,469,184	-	3,469,184	4,117,241	-	4,117,241
Community development	205	-	205	1,161	-	1,161
Interest on long-term debt	14,269	16,021	30,290	19,513	-	19,513
Total Expenses	\$ 14,536,480	\$ 1,673,719	\$ 16,210,199	\$ 14,549,889	\$ -	\$ 14,549,889

Sabine Parish Police Jury's Changes in Net Position (Continued)

	As of December 31, 2020			As of December 31, 2019		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Increase (Decrease) in net position before transfers	\$ 2,234,258	\$ 331,584	\$ 2,565,842	\$ 3,023,544	\$ -	\$ 3,023,544
Transfers	\$ (801,251)	\$ 801,251	\$ -	\$ -	\$ -	\$ -
Change in Net Position	\$ 1,433,007	\$ 1,132,835	\$ 2,565,842	\$ 3,023,544	\$ -	\$ 3,023,544
Beginning Net Position	33,021,393	-	33,021,393	29,997,849	-	29,997,849
Prior period adjustment	-	(7,585,165)	(7,585,165)	-	-	-
Equity transfer	(615,960)	615,960	-	-	-	-
Ending Net Position	<u>\$ 33,838,440</u>	<u>\$ (5,836,370)</u>	<u>\$ 28,002,070</u>	<u>\$ 33,021,393</u>	<u>\$ -</u>	<u>\$ 33,021,393</u>

Program revenues totaled \$7,543,760 in 2020, 40.18% of total revenues. \$3,370,023 was provided through economic development grants reported in the Workforce Investment Act (WIA) Fund. Charges for services provided revenues of \$2,403,583, with \$2,003,925 being generated by sales at the Sabine Parish Sanitary Landfill.

General revenues, totaling \$ 11,232,281, comprise the largest portion of revenues received by the Police Jury (59.82%) during 2020. Ad valorem taxes of \$4,344,810 represent 23.14% of the total revenues received by the Police Jury during 2020 while sales taxes of \$4,967,662 represent 26.46% of that total. Severance taxes of \$1,193,472 accounted for 6.36% of the total revenue for 2020.

The Police Jury expended \$16,210,199 during 2020. The largest expenses were for:

- Roads and Bridges - \$6,885,166 – 42.47%
- Economic Development - \$3,469,184 – 21.40%
- Sanitation - \$2,659,201 – 16.40%
- General Government - \$2,269,412 – 14.00%
- Public Safety - \$762,559 – 4.70%

\$3,370,023 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 \$20,733,984, a decrease of \$86,689 (.42%) in comparison with the prior fiscal year. Of the fund balance total, \$9,392,917 (45.30%) was unassigned; \$5,427,540 (26.18%) was restricted for roads; \$2,415,261 (11.65%) was restricted for health and welfare; and \$3,403,779 (16.42%) was restricted for sanitation. \$35,038 of the combined ending fund balance is reported as nonspendable as this is prepaid insurance and the amount is not in spendable form.

The Witness Fees Fund had a deficit fund balance of \$41,722 and the Grant Fund had a deficit fund balance of \$32,036 on December 31, 2020.

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 \$9,415,829, an increase of \$311,653 (3.42%) compared to the prior year. \$9,392,917 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 2020 budget for the General Fund of the Sabine Parish Police Jury was adopted on January 15, 2020. During the year, the Police Jury made one revision to the original appropriations approved by the Police Jury Members.

During the year ended December 31, 2020, actual revenues exceeded budgeted revenues by \$775,108, actual expenditures were \$96,285 more than the budgeted amounts, and transfers to other funds were \$13,824 less than the budgeted amount.

Significant variances between budget and actual amounts are as follows:

Revenues:

- Ad valorem tax revenues were \$103,950 more than budgeted.
- Intergovernmental revenues were \$581,317 more than budgeted.

Expenditures:

- Capital outlay expenditures were \$345,964 more than budgeted.
- Public safety expenditures were \$99,998 more than budgeted.
- Judicial expenditures were \$154,203 less than budgeted.

Capital Assets and Debt Administration

Capital assets: The Police Jury's investment in capital assets for its governmental and business-type activities as of December 31, 2020, was \$19,818,898 (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 at Year-end
Net of Accumulated Depreciation
As of December 31, 2020**

	Governmental Activities	Business-Type Activities	Total
Land	\$ 780,075	\$ -	\$ 780,075
Buildings and improvements	2,700,672	-	2,700,672
Machinery and equipment	3,742,095	2,045,768	5,787,863
Furniture and fixtures	9,854	-	9,854
Infrastructure	10,540,434	-	10,540,434
Total net assets	<u>\$ 17,773,130</u>	<u>\$ 2,045,768</u>	<u>\$ 19,818,898</u>

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

- | | |
|-------------------------------------|-----------|
| • LED Lighting – Courthouse | \$396,245 |
| • Metal Roof – GOHSEP Building | \$ 40,000 |
| • Ball Park – Converse | \$ 71,905 |
| • Caterpillar Motor Grader | \$232,429 |
| • 3 International HV607 Dump Trucks | \$313,057 |
| • Western Star 4700SB Dump Truck | \$105,676 |
| • 2 Caterpillar Articulated Trucks | \$618,838 |
| • Tractor and Front-end Loader | \$ 57,360 |

- Caterpillar 826K Compactor \$647,433

Debt Administration: At the end of the fiscal year, the Police Jury had outstanding long-term debt of \$14,222,996. Of this amount, \$791,042 is comprised of capital lease agreements, \$176,848 in compensated absences, and \$5,615,828 relating to the recognition of the estimated liabilities for other post-employment benefits and net pension liabilities. The largest portion of debt consists of landfill post closure costs of \$7,639,278.

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for fiscal year 2021 was presented to the Police Jury:

- Ad valorem tax revenue is expected to increase.
- 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, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 17,426,861	\$ 74,770	\$ 17,501,631
Revenue receivables	5,345,206	320,977	5,666,183
Prepaid expenses	35,039	23,751	58,790
Due from other governments	79,777	-	79,777
Capital assets (net)	17,773,130	2,045,768	19,818,898
Total Assets	\$ 40,660,013	\$ 2,465,266	\$ 43,125,279
Deferred Outflows of Resources			
Pension related	\$ 419,844	\$ -	\$ 419,844
OPEB related	1,220,192	-	1,220,192
Total Deferred Outflows of Resources	\$ 1,640,036	\$ -	\$ 1,640,036
Liabilities			
Accounts payable	\$ 1,048,675	\$ 104,912	\$ 1,153,587
Master bank overdrafts	183,692	-	183,692
Unearned federal disaster revenue	221,577	-	221,577
Long-term liabilities, due within one year:			
Capital leases	96,213	123,818	220,031
Due in more than one year:			
Capital leases	137,383	433,628	571,011
Compensated absences	176,848	-	176,848
Other postemployment benefit obligation (OPEB)	5,561,888	-	5,561,888
Net pension liability	53,940	-	53,940
Landfill post closure liability	-	7,639,278	7,639,278
Total Liabilities	\$ 7,480,216	\$ 8,301,636	\$ 15,781,852
Deferred Inflows of Resources			
Pension related	\$ 521,474	\$ -	\$ 521,474
OPEB related	459,919	-	459,919
Total Deferred Inflows of Resources	\$ 981,393	\$ -	\$ 981,393
Net Position			
Net investment in capital assets	\$ 17,539,534	1,488,322	\$ 19,027,856
Restricted, nonexpendable	35,039	23,751	58,790
Restricted for			
Roads	4,670,643	-	4,670,643
Health & welfare	2,415,261	-	2,415,261
Economic development	59,405	-	59,405
Sanitation	3,403,779	-	3,403,779
Unrestricted	5,714,779	(7,348,443)	(1,633,664)
Total Net Position	\$ 33,838,440	\$ (5,836,370)	\$ 28,002,070

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, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental	Business-Type	Total
					Activities	Activities	
Governmental Activities							
General government:							
Legislative	\$ 320,951	-	\$ -	\$ -	\$ (320,951)	\$ -	\$ (320,951)
Judicial	817,637	201,905	-	-	(615,732)	-	(615,732)
Elections	36,028	-	-	-	(36,028)	-	(36,028)
Finance and administration	555,603	-	-	-	(555,603)	-	(555,603)
Other	539,193	6,447	-	396,245	(136,501)	-	(136,501)
Public safety	762,559	162,544	68,023	953,349	421,357	-	421,357
Roads and bridges	6,885,166	-	328,450	-	(6,556,716)	-	(6,556,716)
Sanitation	1,001,503	28,762	-	23,109	(949,632)	-	(949,632)
Health and welfare	134,182	-	-	-	(134,182)	-	(134,182)
Economic development	3,469,184	-	3,370,023	-	(99,161)	-	(99,161)
Community development	205	-	-	-	(205)	-	(205)
Interest on long-term debt	14,269	-	-	-	(14,269)	-	(14,269)
Total Governmental Activities	\$ 14,536,480	399,658	\$ 3,766,496	\$ 1,372,703	(8,997,623)	-	(8,997,623)
Business-Type Activities:							
Landfill	\$ 1,657,698	\$ 2,003,925	\$ 978	\$ -	-	347,205	347,205
Interest on long-term debt	16,021	-	-	-	-	(16,021)	(16,021)
Total Business-Type Activities	\$ 1,673,719	\$ 2,003,925	\$ 978	\$ -	-	331,184	331,184
Total Primary Government	\$ 16,210,199	\$ 2,403,583	\$ 3,767,474	\$ 1,372,703	(8,997,623)	331,184	(8,666,439)
General Revenues:							
Taxes:							
Ad valorem taxes					4,344,810	-	4,344,810
Sales taxes					4,967,662	-	4,967,662
Severance taxes					1,193,472	-	1,193,472
Excise taxes					13,825	-	13,825
State public works grants					79,428	-	79,428
State fire rebate					233,337	-	233,337
State revenue sharing					113,368	-	113,368
Investment earnings					106,951	-	106,951
Gain(loss) on disposal of assets					3,105	400	3,505
Rents and royalties					82,778	-	82,778
Other miscellaneous					93,145	-	93,145
Transfers					(801,251)	801,251	-
Total General Revenues and Transfers					10,430,630	801,651	11,232,281
Changes in Net Position					1,433,007	1,132,835	2,565,842
Net Position - Beginning					33,021,393	-	33,021,393
Prior period adjustment					-	(7,585,165)	(7,585,165)
Equity transfer					(615,960)	615,960	-
Net Position - Ending					\$ 33,838,440	\$ (5,836,370)	\$ 28,002,070

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, 2020

	Major Funds							Other	Total
	General	Transportation	Sales Tax	Road	Road	Health Unit	WIA	Governmental	Governmental
	Fund	Fund	Fund	District 11	District 16		Fund	Funds	Funds
Assets									
Cash	\$ 8,125,560	\$ 814,384	\$ 3,002,048	\$ 1,024,378	\$ 191,960	\$ 2,221,412	\$ -	\$ 2,047,119	\$ 17,426,861
Revenue receivables	1,386,313	-	416,603	588,396	173,770	247,744	-	2,532,380	5,345,206
Prepaid expenses	22,912	7,008	1,017	148	106	2,177	-	1,670	35,038
Due from other governments	55,660	24,117	-	-	-	-	-	-	79,777
Due from other funds	178,333	-	-	-	-	-	-	-	178,333
Noncurrent receivable	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 9,768,778</u>	<u>\$ 845,509</u>	<u>\$ 3,419,668</u>	<u>\$ 1,612,922</u>	<u>\$ 365,836</u>	<u>\$ 2,471,333</u>	<u>\$ -</u>	<u>\$ 4,581,169</u>	<u>\$ 23,065,215</u>
Liabilities									
Accounts payable	\$ 250,835	\$ 103,402	\$ 14,872	\$ 136,223	\$ 128,890	\$ 31,713	\$ -	\$ 382,740	\$ 1,048,675
Due to other funds	-	-	-	-	-	-	-	178,333	178,333
Master bank overdrafts	-	-	-	-	-	-	-	183,692	183,692
Total Liabilities	<u>\$ 250,835</u>	<u>\$ 103,402</u>	<u>\$ 14,872</u>	<u>\$ 136,223</u>	<u>\$ 128,890</u>	<u>\$ 31,713</u>	<u>\$ -</u>	<u>\$ 744,765</u>	<u>\$ 1,410,700</u>
Deferred Inflows of Resources									
Unearned federal grants	\$ -	\$ -	\$ -	\$ -	\$ 182,173	\$ -	\$ -	\$ 39,404	\$ 221,577
Unavailable property taxes	102,114	-	-	288,205	31,233	22,182	-	255,220	698,954
Total Deferred Inflows of Resources	<u>\$ 102,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 288,205</u>	<u>\$ 213,406</u>	<u>\$ 22,182</u>	<u>\$ -</u>	<u>\$ 294,624</u>	<u>\$ 920,531</u>
Fund Balances									
Nonspendable	\$ 22,912	\$ 7,008	\$ 1,017	\$ 148	\$ 106	\$ 2,177	\$ -	\$ 1,670	\$ 35,038
Restricted for:									
Judicial	-	-	-	-	-	-	-	39,208	39,208
Roads	-	735,099	-	1,188,346	23,434	-	-	3,480,661	5,427,540
Sanitation	-	-	3,403,779	-	-	-	-	-	3,403,779
Health and welfare	-	-	-	-	-	2,415,261	-	-	2,415,261
Witness and juror fees	-	-	-	-	-	-	-	(39,164)	(39,164)
Economic development	-	-	-	-	-	-	-	59,405	59,405
Unassigned	9,392,917	-	-	-	-	-	-	-	9,392,917
Total Fund Balances	<u>\$ 9,415,829</u>	<u>\$ 742,107</u>	<u>\$ 3,404,796</u>	<u>\$ 1,188,494</u>	<u>\$ 23,540</u>	<u>\$ 2,417,438</u>	<u>\$ -</u>	<u>\$ 3,541,780</u>	<u>\$ 20,733,984</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,768,778</u>	<u>\$ 845,509</u>	<u>\$ 3,419,668</u>	<u>\$ 1,612,922</u>	<u>\$ 365,836</u>	<u>\$ 2,471,333</u>	<u>\$ -</u>	<u>\$ 4,581,169</u>	<u>\$ 23,065,215</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

**Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position**

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Total Fund Balance, Governmental Funds	\$	20,733,984
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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		85,624,215
Less - accumulated depreciation		(67,851,085)

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

1,640,036

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.

698,954

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		(233,594)
Compensated absences		(176,848)
Other post employment benefit obligation		(5,561,888)
Net pension liability		(53,940)

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

(981,393)

Net Position of Governmental Activities in the Statement of Net Position

	\$	33,838,440
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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, 2020

	Major Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Sales Tax Fund	Road District 11	Road District 16	Health Unit WIA Fund		
<u>REVENUES</u>								
Taxes:								
Ad valorem	\$ 1,094,443	\$ -	\$ -	\$ 315,371	158,221	\$ 237,178	\$ -	\$ 4,174,606
Sales and use	-	-	4,967,662	-	-	-	-	4,967,662
Licenses and permits	168,990	-	-	-	-	-	-	168,990
Intergovernmental revenues:								
Federal grants	33,238	69,273	-	-	-	-	3,370,023	430,833
State funds:								
Parish transportation funds	-	323,707	-	-	-	-	-	323,707
Grants	135,644	-	-	-	-	-	-	420,005
State revenue sharing	29,908	-	-	4,519	5,614	6,498	-	66,829
Fire insurance rebate	233,337	-	-	-	-	-	-	233,337
Severance taxes	1,193,472	-	-	-	-	-	-	1,193,472
Other state funds	421,877	-	-	-	4,743	-	-	426,620
Fees, charges, and commissions	-	-	28,762	-	-	-	-	28,762
Fines and forfeitures	-	-	-	-	-	-	-	201,905
Investment earnings	46,103	6,394	15,412	6,366	1,370	12,282	-	19,024
Rents and royalties	82,778	-	-	-	-	-	-	82,778
Reimbursements	-	23,109	-	-	-	-	-	39,426
Other revenues	16,471	10,631	1,083	418	-	-	-	1,418
Total Revenues	\$ 3,456,261	\$ 433,114	\$ 5,012,919	\$ 326,674	\$ 169,948	\$ 255,958	\$ 3,370,023	\$ 3,548,833
								\$ 16,573,730

(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, 2020

	Major Funds						Other	Total
	General	Transportation	Sales Tax	Road	Road	Health	Governmental	Governmental
	Fund	Fund	Fund	District 11	District 16	Unit	Funds	Funds
EXPENDITURES								
Current:								
General government:								
Legislative	\$ 291,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,619
Judicial	465,526	-	-	-	-	-	284,152	749,678
Elections	25,529	-	-	-	-	-	-	25,529
Finance and administrative	348,765	-	119,234	-	-	-	31,247	499,246
Other	409,376	-	-	15,346	6,367	8,563	88,779	528,431
Public safety	755,073	-	-	-	-	-	-	755,073
Roads	-	3,019,249	-	304,832	101,529	-	2,757,284	6,182,894
Sanitation	-	-	968,409	-	-	-	-	968,409
Health and welfare	16,809	-	-	-	-	102,457	-	119,266
Community development	205	-	-	-	-	-	-	205
Economic development	99,161	-	-	-	-	-	3,370,023	3,469,184
Capital outlay	516,869	282,156	2,802	56,751	138,992	-	1,217,204	2,214,774
Debt service:								
Principal retirement	-	-	-	-	12,069	-	84,144	96,213
Interest and other charges	-	-	-	-	1,809	-	12,460	14,269
Total Expenditures	2,928,932	3,301,405	1,090,445	376,929	260,766	111,020	4,475,270	15,914,790
Excess (Deficiency) of Revenues over (Under) Expenditures	527,329	(2,868,291)	3,922,474	(50,255)	(90,818)	144,938	(926,437)	658,940
OTHER FINANCING SOURCES (USES)								
Sale of assets	-	16,720	49	130	6,530	-	32,192	55,621
Transfers in	-	2,949,676	-	-	48,000	-	697,808	3,695,484
Transfers out	(215,676)	(479,260)	(3,741,251)	-	-	-	(60,547)	(4,496,734)
Proceeds from issuance of debt	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(215,676)	2,487,136	(3,741,202)	130	54,530	-	669,453	(745,629)
Net Change in Fund Balance	311,653	(381,155)	181,272	(50,125)	(36,288)	144,938	(256,984)	(86,689)
Fund Balances -Beginning	9,104,176	1,123,262	3,223,524	1,238,619	59,828	2,272,500	3,798,764	20,820,673
Fund Balances - Ending	\$ 9,415,829	\$ 742,107	\$ 3,404,796	\$ 1,188,494	\$ 23,540	\$ 2,417,438	\$ 3,541,780	\$ 20,733,984

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, 2020**

Net Change in Fund Balances - Governmental Funds	\$ (86,689)
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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	2,214,774
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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	(703,670)
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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.	(52,424)
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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	170,204
Non-employer pension revenue	23,608
Pension (expense) benefit	44,249
Capital lease payments	96,213
Net OPEB obligation	(290,409)
Accrued compensated absences	17,151

Change in Net Position of Governmental Activities	\$ 1,433,007
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Proprietary Fund Financial Statements

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Net Position
Proprietary Fund
For the Year Ended December 31, 2020

	Business-Type Activity Enterprise Fund LANDFILL
	<u> </u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 74,770
Receivables	320,977
Prepaid insurance	23,751
Capital assets, net of accumulated depreciation	<u>2,045,768</u>
TOTAL ASSETS	<u>\$ 2,465,266</u>
LIABILITIES	
Current liabilities:	
Accounts, payroll, and other payables	\$ 104,912
Current due on long-term debt	123,818
Due in more than one year:	
Long-term debt	433,628
Closure and Postclosure costs	<u>7,639,278</u>
TOTAL LIABILITIES	<u>\$ 8,301,636</u>
NET POSITION	
Net investment in capital assets	\$ 1,488,322
Restricted nonspendable	23,751
Unrestricted	<u>(7,348,443)</u>
TOTAL NET POSITION	<u><u>\$ (5,836,370)</u></u>

SABINE PARISH POLICE JURY
Many, Louisiana

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2020

	Business-Type Activity Enterprise Fund LANDFILL
Operating Revenues	
Charges for services	
Tipping fees	\$ 2,003,925
Total Operating Revenues	<u>2,003,925</u>
Operating Expenses	
Personnel costs and benefits	604,894
Operating costs	732,026
Administration	36,216
Depreciation	<u>156,198</u>
Total Operating Expenses	<u>1,529,334</u>
Gain from Operations	474,591
Nonoperating Revenues (Expenses)	
Closure and Postclosure costs	(128,364)
Interest expense	(16,021)
Gain (loss) on sale of assets	400
Federal disaster relief funds	978
Transfer from Sales Tax Fund	897,251
Transfer to other funds	<u>(96,000)</u>
Total Nonoperating Revenues (Expenses)	<u>658,244</u>
Change in Net Position	1,132,835
Total Net Position, beginning of year	-
Prior Period adjustment	(7,585,165)
Equity Transfer	615,960
Total Net Position, end of year	<u><u>\$ (5,836,370)</u></u>

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2020**

	Business-Type Activity Enterprise Fund LANDFILL
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 1,682,948
Cash payments to suppliers for goods and services	(708,317)
Cash payment to other funds	(96,000)
Cash payments to employees for services	(583,658)
Net cash provided by operating activities	<u>294,973</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal grant revenue	978
Transfer in from sales tax fund	897,251
Post closure costs	(95,099)
Other income	400
Net cash provided by non capital financing activities	<u>802,552</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal payments	(89,987)
Interest payments	(16,021)
Net cash used by capital and related financing activities	<u>(106,008)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(916,747)
Interest received	-
Net cash provided by investing activities	<u>(916,747)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	74,770
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 74,770</u>
Noncash transactions	
Loan proceeds to purchase equipment	<u>\$ 647,433</u>

Notes to the Financial Statements

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

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, 2024.

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, 2020

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, 2020

1. Summary of Significant Accounting Policies (continued)

C. Fund Accounting

The funds of the Police Jury are classified into two categories: governmental and proprietary. 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.

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following is the Police Jury's proprietary fund type:

Enterprise Funds – Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the government body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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.

SABINE PARISH POLICE JURY
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Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

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.

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.

SABINE PARISH POLICE JURY
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Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least five percent (5%) of the corresponding total for all government and enterprise funds combined.
- c. 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:

Major Governmental Funds:

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.

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 operation of solid waste collection. 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.

Road District Funds No 16. -- 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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

Major Business-Type Fund

Proprietary Fund – The Enterprise Fund (Landfill) accounts for the operations of the Police's Jury's landfill. Financing of the Enterprise Fund is provided by user fees and transfers from the Sales Tax Fund. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expense.

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.

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.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

1. Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

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.

Proprietary Fund Financial Statements—The financial statements of the proprietary fund are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The amounts reflected in the Proprietary Fund Financial Statements use the accrual basis of accounting. All assets and liabilities (current or non-current) associated with their activities are reported.

E. Cash and Cash Equivalents

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. For the purpose of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts. 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, 2020

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. Business-type activities report customer's sanitation tipping fees as its major receivable. 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.

Nonrecurring or non-routine transfers of equity are reported as residual equity transfers.

In preparing the government-wide financial statement, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net balance for each type of activity.

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 or business-type activities in the government-wide financial statements and in the fund financial statements for proprietary funds. 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, 2020.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

1. Summary of Significant Accounting Policies (continued)

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.

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. Long-term obligations

The accounting treatment of long-term debt depends upon whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental and business-type 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.

The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

1. Summary of Significant Accounting Policies (continued)

M. 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. 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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (continued)

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.

O. 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.

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, Registrar of Voters Employees' Retirement System of Louisiana and the Parochial Employees' Retirement System of Louisiana 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'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.

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.

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

SABINE PARISH POLICE JURY
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Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (continued)

R. Other Postemployment Benefits (continued)

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.

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, 2020
Lewy date	June 30, 2020
Tax bills mailed	October 15, 2020
Total taxes are due	December 31, 2020
Penalties & interest added	January 31, 2021
Tax sale	May 16, 2021

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, 2020.

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2020:

	Assessed value	Homestead exempt	Taxable	Authorized Millage	Maximum Millage	Levied Millage	Expiration Year
General Fund	269,890,669	39,988,597	229,902,072	4.00	4.80	4.80	n/a
Road District 18	22,058,130	4,205,209	17,852,921	10.90	10.90	10.90	2028
Road District 19	16,060,937	2,180,757	13,880,180	15.51	15.51	15.51	2026
Road District 16	21,190,305	3,541,138	17,649,167	10.02	10.02	10.05	2028
Road District 9	38,946,614	6,057,019	32,889,595	10.25	10.25	10.25	2028
Road District 17	58,350,951	10,003,717	48,347,234	10.41	10.41	10.80	2028
Road District 15	32,324,234	6,804,265	25,519,969	13.02	13.87	13.59	2026
Road District 1	28,216,290	3,249,189	24,967,101	16.65	16.65	17.22	2026
Road District 4	24,043,704	1,590,006	22,453,698	12.56	13.87	13.88	2021
Road District 20	6,256,878	1,214,633	5,042,245	22.16	22.16	22.56	2028
Road District 11	18,010,216	1,137,250	16,872,966	25.64	25.64	25.64	2028
Health Unit	269,890,669	39,988,597	229,902,072	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, 2020 are recorded as a receivable. Those net property taxes receivable which were not collected within 60 days immediately following December 31, 2020, are recorded as unavailable property taxes.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

3. Cash

At December 31, 2020, the Police Jury has cash and cash equivalents (book balances) totaling \$17,501,631 as follows:

Demand deposits	\$	14,518,960
Money market deposits		2,982,571
Petty cash		100
	\$	<u>17,501,631</u>

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, 2020, the following funds report negative balances in the master bank account of:

Road District 17	\$	60,439
Road District 18		2,179
Road District 20		77,523
Witness Fees Fund		43,551
	\$	<u>183,692</u>

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 \$17,899,271, which were fully protected by \$500,000 of federal depository insurance, pledged securities with a market value of \$12,777,295 held by the custodial banks in the name of the Police Jury and irrevocable standby letters of credit for \$8,500,000.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

4. Receivables

The following is a summary of receivables, including due from other governments, at December 31, 2020:

	Governmental Activities							Business- Type Activity	
	General Fund	Transportation Fund	Sales tax fund	Road District 11	Road District 16	Health Unit	Other Governmental Funds	Landfill	Total
Ad valorem taxes	\$ 1,143,169	\$ -	\$ -	588,396	\$ 173,770	\$ 247,744	\$ 2,516,044	\$ -	\$ 4,669,123
Sales and use taxes	-	-	416,603	-	-	-	-	-	416,603
Beer Tax	3,255	-	-	-	-	-	-	-	3,255
Severance tax	223,795	-	-	-	-	-	-	-	223,795
State grants:									
Capital Outlay	3,071	-	-	-	-	-	-	-	3,071
Fees and charges	4,050	-	-	-	-	-	-	320,977	325,027
Fines and forfeitures	-	-	-	-	-	-	15,464	-	15,464
Other receivables	8,973	-	-	-	-	-	872	-	9,845
Other governments	55,660	24,117	-	-	-	-	-	-	79,777
	<u>\$ 1,441,973</u>	<u>\$ 24,117</u>	<u>\$ 416,603</u>	<u>\$ 588,396</u>	<u>\$ 173,770</u>	<u>\$ 247,744</u>	<u>\$ 2,532,380</u>	<u>\$ 320,977</u>	<u>\$ 5,745,960</u>

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

Revenue Receivables	\$5,666,183
Due from other governments	<u>79,777</u>
Total receivables	<u><u>\$5,745,960</u></u>

5. 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.

Transfer In	Transfer Out	Amount
Criminal Court	General Fund	\$ 110,000
Transportation fund	General Fund	105,676
Transportation fund	Sales tax fund	2,844,000
Landfill	Sales tax fund	897,251
Road District 9	Transportation	8,589
Road District 15	Transportation	38,424
Road District 17	Transportation	28,996
Road District 18	Transportation	178,811
Road District 20	Transportation	224,440
Road District 9	Landfill	48,000
Road District 16	Landfill	48,000
Grant Fund	Road District 17	60,547
		<u><u>\$ 4,592,734</u></u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

6. Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases/ reclassifications	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 708,170	\$ 71,905	\$ -	\$ 780,075
Total assets not being depreciated	708,170	71,905	-	780,075
Capital assets being depreciated:				
Buildings and improvements	3,860,671	438,117	-	4,298,788
Machinery and equipment	8,437,164	827,494	(918,690)	8,345,968
Furniture and fixtures	49,494	2,592	-	52,086
Infrastructure:				
Roads	62,582,602	349,658	-	62,932,260
Bridges	7,630,367	525,006	(8,341)	8,147,032
Road right-of-ways	1,068,006	-	-	1,068,006
Total capital assets being depreciated	83,628,304	2,142,867	(927,031)	84,844,140
Less accumulated depreciation for:				
Buildings and improvements	1,508,662	89,454	-	1,598,116
Machinery and equipment	4,451,194	403,085	(250,406)	4,603,873
Furniture and fixtures	40,104	2,128	-	42,232
Infrastructure:				
Roads	59,133,720	98,613	-	59,232,333
Bridges	2,272,380	110,390	(8,239)	2,374,531
Total accumulated depreciation	67,406,060	703,670	(258,645)	67,851,085
Capital assets being depreciated, net	16,222,244			16,993,055
Governmental activities capital assets, net	\$ 16,930,414			\$ 17,773,130

Depreciation expense of \$703,670 for the year ended December 31, 2020, was charged to the following governmental functions:

Judicial	\$ 59,963
Elections	745
Finance and administration	18,415
Other governmental	8,331
Public safety	10,101
Roads	559,452
Sanitation	31,747
Health and welfare	14,916
	<u>\$ 703,670</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

6. Capital Assets (continued)

	Beginning Balance	Increases	Decreases/ reclassifications	Ending Balance
Business-type Activities				
Capital assets being depreciated:				
Machinery and equipment	\$ -	\$ 2,201,966	\$ -	\$ 2,201,966
Total capital assets being depreciated	-	2,201,966	-	2,201,966
Less accumulated depreciation for:				
Machinery and equipment	-	156,198	-	156,198
Total accumulated depreciation	-	156,198	-	156,198
Capital assets being depreciated, net	-			2,045,768
Business-type activities capital assets, net	\$ -			\$ 2,045,768

Depreciation expense of \$156,198 for the year ended December 31, 2020, was charged to the proprietary fund.

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2020, consists of the following:

	Payable to vendors	Payroll Liabilities	Total Payables
<u>Governmental Activities:</u>			
General Fund	\$ 131,421	\$ 119,414	\$ 250,835
Transportation Fund	40,108	63,294	103,402
Sales Tax Fund	3,366	11,506	14,872
Road District 1	69,186	-	69,186
Road District 16	122,523	6,367	128,890
Health Unit	23,150	8,563	31,713
Road District 9	134,606	-	134,606
Road District 4	20,408	11,059	31,467
Road District 11	136,223	-	136,223
Road District 15	13,126	12,524	25,650
Road District 17	34,496	18,754	53,250
Road District 18	1,052	7,007	8,059
Road District 19	7,614	7,698	15,312
Road District 20	132	4,316	4,448
Criminal Court Fund	4,768	3,958	8,726
Grant Fund	32,036	-	32,036
	\$ 774,215	\$ 274,460	\$ 1,048,675
<u>Business-type Activities</u>			
Landfill	104,912	-	104,912
Total Accounts Payable	\$ 879,127	\$ 274,460	\$ 1,153,587

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

8. Pension Plans

Substantially all employees of the Police Jury are members of the Parochial Employees' Retirement system of Louisiana (PERS), District Attorneys' Retirement system, State of Louisiana (DARS), or the Registrar of Voters Employees' Retirement system of Louisiana (ROVERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate board of trustees. Pertinent information relative to each plan follows:

GENERAL INFORMATION ABOUT THE PLANS

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.

Eligibility Requirements. 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.

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.

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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

Parochial Employees' Retirement System (PERS) (continued)

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.

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 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2017 and later.

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.

Employer Contributions. According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2019, the actuarially determined contribution rate was 12.18% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2019, was 11.5%.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

8. Pension Plans (continued)

Parochial Employees' Retirement System (PERS) (continued)

According to state statute, PERS also receives $\frac{1}{4}$ 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 but are not considered special funding situations. The non-employer contribution was \$17,847.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2020, was 12.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Police Jury were \$245,811, \$161,442, and \$175,548 for the years ended December 31, 2020, 2019, and 2018, respectively.

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, assistant district attorneys, and employees of DARS and Louisiana District Attorneys' Association.

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.

Benefits 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, 2020

8. Pension Plans (continued)

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.

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 DARS.

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.

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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

District Attorneys' Retirement System (DARS) (continued)

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.

Deferred Retirement Option Plan. 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, 2020, the actual employer contribution rate was 4.0%. 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 of \$3,633 were recognized as revenue during the year ended December 31, 2020 and excluded from pension expense.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2020, was 4.00%, 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 \$911, \$598, and \$142 for the years ended December 31, 2020, 2019 and 2018 respectively.

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 with 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.

ROVERS was established on January 1, 1955, for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish. 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.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

8. Pension Plans (continued)

Registrar of Voters Employees' Retirement System (ROVERS) (continued)

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.

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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

Registrar of Voters Employees' Retirement System (ROVERS) (continued)

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.

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, 2020, the actual employer contribution rate was 18.00%.

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 in the amount of \$2,128 are recognized as revenue and excluded from pension expense for the year ended December 31, 2020.

The Police Jury's contractually required composite contribution rate for the year ended December 31, 2020, was 18.00% 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 \$2,196 \$2,025, and \$2,025 for the years ended December 31, 2020, 2019, and 2018 respectively.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

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

At December 31, 2020 and 2019, the Police Jury reported a total of \$53,940 and \$1,119,748 for its Proportionate share of the Net Pension (Asset) Liabilities of the Plans.

Plan	Measurement date	
	December 31, 2019	December 31, 2018
PERS	\$ 10,382	\$ 1,091,055
	June 30, 2020	June 30, 2019
DARS	29,087	12,475
ROVERS	14,471	16,218
Total	\$ 53,940	\$ 1,119,748

The Net Pension (Asset) Liabilities were measured as of December 31, 2019 for PERS and June 30, 2020 for DARS and ROVERS, and the total pension liability used to calculate the Net Pension (Asset) Liabilities were determined by an actuarial valuation as of those dates. The Police Jury's proportion of the Net Pension Liabilities was based on a projection of the Police Jury's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At the measurement dates, the Police Jury's proportions of each were as follows:

Plan	Proportionate Share	
	December 31, 2019	December 31, 2018
PERS	0.220544%	0.245824%
	June 30, 2020	June 30, 2019
DARS	0.036713%	0.038777%
ROVERS	0.067173%	0.086727%
Total	0.324430%	0.371328%

For the year ended December 31, 2020 and 2019, the Police Jury recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions as follows:

Plan	Measurement date	
	December 31, 2019	December 31, 2018
PERS	\$ (52,262)	\$ 263,438
	June 30, 2020	June 30, 2019
DARS	7,996	6,744
ROVERS	15	1,785
Total	\$ (44,251)	\$ 271,967

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

At December 31, 2020, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS		DARS		ROVERS		TOTAL	
	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual experience	\$ -	\$ 92,941	\$ 1,386	\$ 2,777	\$ -	\$ 2,336	\$ 1,386	\$ 98,054
Changes of assumptions	144,998	-	13,058	-	2,668	-	160,724	-
Net difference between projected and actual earnings on pension plan investments	-	389,172	4,715	-	387	-	5,102	389,172
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	412	478	3,492	478	3,904
Differences between employer contributions and proportionate share of employer contributions	4,400	30,260	363	84	-	-	4,763	30,344
Employer contributions subsequent to the measurement date	245,811	-	456	-	1,124	-	247,391	-
Total	<u>\$ 395,209</u>	<u>\$ 512,373</u>	<u>\$ 19,978</u>	<u>\$ 3,273</u>	<u>\$ 4,657</u>	<u>\$ 5,828</u>	<u>\$ 419,844</u>	<u>\$ 521,474</u>

The deferred outflows of resources related to pensions resulting from Police Jury contributions subsequent to the measurement date in the amount of \$247,391, will be recognized as a reduction of the Net Pension Liabilities in the year December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31	
2021	\$ (79,466)
2022	(102,238)
2023	3,502
2024	(172,815)
2025	1,997
	<u>\$ (349,020)</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liabilities for the valuation dates of as of December 31, 2019 for PERS and June 30, 2020 for DARS and ROVERS are as follows:

Assumptions	PERS	DARS	ROVERS
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost
Expected remaining service lives	4 years	6 years	5 years
Investment rate of return	6.50%	6.25%	6.40%
Inflation rate	2.40%	2.30%	2.30%
Salary increases	4.25%	5.00%	5.25%

Mortality rates for PERS were based on Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiple 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 Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants. The mortality rate assumptions were based on the results of any experience study, for the period January 1, 2013 through December 31, 2017.

Mortality rates for DARS were based on Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projections using the MP2019 scale. Pub-2010 Public Retirement Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale. The mortality rate assumptions were set based upon an experience study performed on plan data for the period of July 1, 2014 through June 30, 2019.

Mortality rates for ROVERS were based on RE-2000 Healthy Mortality Table for active members, healthy annuitants and beneficiaries. RE-2000 Disabled Lives Table for disabled annuitants. The mortality rate assumptions were based upon an experience study performed by the prior actuary on plan data for the period of July 1, 2014 through June 30, 2019.

The long-term expected rate of return on PERS pension plan investments was determined using a triangulation method which integrated the capital asset 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.

The long-term expected rate of return on DARS and ROVERS 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.

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

8. Pension Plans (continued)

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 and an adjustment for the effect of rebalancing/diversification.

Best estimates of arithmetic real rates of return for each major class included in the pensions target asset allocation as of December 31, 2019 for PERS and June 30, 2020 for DARS and ROVERS are summarized in the following table:

Asset Class	PERS		DARS		ROVERS	
	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Equities	52%	3.41%	48.27%	5.54%	57.5%	4.51%
Fixed Income	35%	1.05%	24.54%	1.09%	22.5%	0.66%
Alternatives	11%	0.61%	26.77%	1.87%	10.0%	0.63%
Other	2%	0.11%	0.42%	0.00%	10.0%	0.45%
System Total	100%	5.18%	100%	6.11%	100%	6.25%
Inflation		2%		2.39%		2.5%
Expected Nominal Return		7.18%		8.50%		8.75%

The discount rate used to measure the total pension liability was 6.50% for PERS Plan A, 6.25% for DARS, and 6.40% for ROVERS. 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 Systems' 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 (Asset) Liability using the discount rates states above, 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 or one percentage-point higher than the current rate:

	Current		
	1% decrease	Discount Rate	1% Increase
PERS	\$ 1,122,104	\$ 10,382	\$ (921,219)
DARS	\$ 53,133	\$ 29,087	\$ 8,937
ROVERS	\$ 23,765	\$ 14,471	\$ 6,551

Retirement Fund Audit Report

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements of the Plans.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

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

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 \$10,000 to age 65 and reduces to \$5,000 at age 65 until age 70 when coverage ceases.

Employees covered by benefit terms—at December 31, 2020, the following employees were covered by the benefit terms:

Active employees	21
Active employees' dependents	22
Retired employees and dependents	6
Total employees covered by benefit terms	<u>49</u>

Total OPEB Liability. The Police Jury's total OPEB liability of \$5,561,888 was valued and measured as of December 31, 2020, and was determined by an actuarial valuation as of that date using GASB accounting methodology.

Actuarial Methods and Assumptions. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Valuation and Measurement Date – December 31, 2020
- 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%
- Average per capita claim cost:

average per capita		
Age		Medical
50	\$	10,949
51	\$	11,223
52	\$	11,504
53	\$	11,791
54	\$	12,086
55	\$	12,388
56	\$	12,698
57	\$	13,015
58	\$	13,341
59	\$	13,674
60	\$	14,016
65+	\$	5,815

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

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

- 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 \$644.28
- Healthcare cost trend rate – Level 4.50% 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%

- 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.
- Discount rate – 2.12% (0.38 real rate of return plus 2.50% inflation)

Changes in the Total OPEB Liability

Balance at January 1, 2020	\$ 4,511,206
Changes for the year	
Service cost	133,153
Interest cost	187,740
Differences between expected and actual experience	(520,514)
Changes in assumptions	1,380,955
Benefit payments	(130,652)
Net changes	1,050,682
Net OPEB liability, end of year	\$ 5,561,888

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

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

For the year ended December 31, 2020, the Police Jury recognized OPEB expense of \$290,409. At December 31, 2020, the Police Jury reported the following deferred outflows of resources and deferred inflows of resources related to OPEB,

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (459,919)
Changes of assumptions	1,220,192	-
Total	<u>\$ 1,220,192</u>	<u>\$ (459,919)</u>

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

Year ended December 31	Net Outflows (Inflows)
2021	\$ 100,168
2022	100,168
2023	100,168
2024	100,168
2025	100,168
2026+	259,433

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

	Changes in Discount Rate		
	1% Decrease 1.12%	Discount Rate 2.12%	1% Increase 3.12%
Total OPEB liability	<u>\$ 6,644,410</u>	<u>\$ 5,561,888</u>	<u>\$ 4,708,598</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 or 1 percentage-point higher than the current healthcare trend rates:

	Changes in healthcare cost trend rates		
	1% Decrease 3.5%	Discount Rate 4.5%	1% Increase 5.5%
Total OPEB liability	<u>\$ 4,611,686</u>	<u>\$ 5,561,888</u>	<u>\$ 6,806,064</u>

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to the Financial Statements
December 31, 2020

10. Capital Leases

The following is a summary of the long-term debt obligation transactions for the year ended December 31, 2020:

	Government Activities	Business-Type Activities	Total
Beginning Balance	\$ 329,809	\$ -	\$ 329,809
Additions	-	647,433	647,433
Deductions	(96,213)	(89,987)	(186,200)
Ending Balance	<u>\$ 233,596</u>	<u>\$ 557,446</u>	<u>\$ 791,042</u>
Due within one year	\$ 101,184	\$ 123,818	\$ 225,002
Due in more than one year	132,412	433,628	566,040
	<u>\$ 233,596</u>	<u>\$ 557,446</u>	<u>\$ 791,042</u>

As of December 31, 2020, annual debt service requirements for the Police Jury's five capital leases to maturity are as follows:

Year ending	Government Activities		Business-Type Activity		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 101,184	\$ 9,299	\$ 123,818	\$ 17,526	\$ 225,002	\$ 26,825
2021	101,775	4,128	128,222	13,122	229,997	17,250
2022	27,146	649	132,782	8,562	159,928	9,211
2023	3,491	27	137,489	3,855	140,980	3,882
2024	-	27	35,135	202	35,135	229
Thereafter	-	-	-	-	-	-
	<u>\$ 233,596</u>	<u>\$ 14,130</u>	<u>\$ 557,446</u>	<u>\$ 43,267</u>	<u>\$ 791,042</u>	<u>\$ 57,397</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, 2020, the statutory limit was \$26,989,067.

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.

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.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

11. Workforce Investment Act Program (continued)

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, 2020, the Police Jury's compensated absences payable amounted to 9,392 hours with a resulting liability of \$176,848.

Changes in compensated absences during 2020 are as follows:

Beginning balance	\$	193,999
Additions		90,963
Deductions		(108,114)
Available leave	\$	<u>176,848</u>

13. Landfill

On April 20, 1994, the Police Jury entered into a 25-year Landfill Solid Waste Management Contract (contract) with Transamerica Waste Industries, Inc. (Contractor) transferring the 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.

In April of 2019 the landfill solid waste management contract expired but continued on a month-to-month basis until the end of February 2020. On March 1, 2020, the Police Jury began operating the landfill recording the operations as a business-type activity in the Landfill Fund.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

13. Landfill (continued)

In accordance with state and federal regulations, the Parish is required to place a final cover on all active landfill cells when closed and to perform certain maintenance and monitoring functions for thirty years after closure. The contract with the Contractor 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 closure and post-closure costs related to the Sabine Parish Landfill in prior years. The Contractor has not honored their closure and post-closure costs contractual obligations as of the date of these financial statements. Management has elected to record the entire obligation in the Landfill Fund and use legal means to recover the costs from the Contractor.

The closure and post closure liability were estimated to be \$7,565,889 at December 31, 2019. This liability was recorded as a prior period adjustment to the beginning fund balance. Landfill assets of \$615,960 purchased in the prior year and reported in the government-wide financial statements were transferred to the Landfill Fund. This resulted in the following adjustment to the beginning fund balance in the Landfill Fund.

	Government-wide Business-type Activities
Total Net Position, December 31, 2019	\$ -
Equity transfer of capital assets to Landfill	615,960
Landfill post closure liability	(7,585,165)
Total adjustments to Net Position	<u><u>\$ (6,969,205)</u></u>

Closure and Post Closure Costs. Although closure and post closure care costs will be paid only near or after the date the landfill stops accepting waste, the Police Jury reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$7,639,278 reported as landfill post closure liability at December 31, 2020, represents the cumulative amount reported to date based on the use of 47.82% of the estimated capacity of the landfill. The Police Jury will recognize the remaining estimated cost of closure and post closure care costs as the remaining estimated capacity is filled. The Police Jury is in negotiations to acquire an additional 100 acres of land to expand the landfill, therefore no estimate of an expected closure date of the landfill can be made at this time. These estimated costs are associated with flood control upgrades, remediation of possible ground water contamination, and control of methane gas. There is potential for these estimates to change due to inflation, deflation, technology, or change in laws or regulations.

The Police Jury has this liability funded by a surety bond in favor of the State of Louisiana Department of Environmental Quality in the amount of \$7,639,279.

14. 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.

SABINE PARISH POLICE JURY

Many, Louisiana

Notes to the Financial Statements

December 31, 2020

14. Commitments and Contingencies (continued)

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 Policy Jury has opined that no potential liability should be accrued.

COVID-19

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. There were no significant adverse effects from COVID-19 on the Police Jury's financial position during 2020. Although not expected, the Police Jury's future cash flows could be affected by an economic slowdown that results from measures taken to contain the spread of the virus. The duration and impact of the pandemic remains unclear of this time.

15. Related Party Transactions

Procedures, observations, and inquiries did not disclose any related party transactions for the fiscal year ended December 31, 2020.

16. On-Behalf Payments

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 \$11,807 for the year ended December 31, 2020. Such payments are recorded as intergovernmental revenue and public safety expenses in the government-wide and general fund financial statements.

17. 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. The nonmajor Witness Fees Special Revenue Fund has a deficit fund balance at December 31, 2020, of \$41,722.

18. Subsequent Events

Management has evaluated subsequent events through November 29, 2021, 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.

Required Supplementary Information – Part II

SABINE PARISH POLICE JURY
Many, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended Error! No document variable supplied.

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 985,990	\$ 990,493	\$ 1,094,443	\$ 103,950
Other taxes, licenses, & interest	130,000	138,100	168,990	30,890
Intergovernmental revenues:				
Federal funds	45,000	27,491	33,238	5,747
State funds	2,044,483	1,438,668	2,014,238	575,570
Fines and forfeitures	138,100	-	-	-
Use of money & property	125,000	46,177	46,103	(74)
Other revenues	4,550	40,224	99,249	59,025
Total Revenues	<u>3,473,123</u>	<u>2,681,153</u>	<u>3,456,261</u>	<u>775,108</u>
EXPENDITURES				
Current:				
General government:				
Legislative	301,139	311,520	291,619	19,901
Judicial	643,957	619,729	465,526	154,203
Elections	65,534	63,159	25,529	37,630
Finance and administrative:	482,600	369,338	348,765	20,573
Other	572,157	548,314	409,376	138,938
Public safety	683,058	655,075	755,073	(99,998)
Culture and recreation	32,000	32,400	205	32,195
Health and welfare	19,531	21,100	16,809	4,291
Economic development	41,107	41,107	99,161	(58,054)
Capital outlay	-	170,905	516,869	(345,964)
Total Expenditures	<u>2,841,083</u>	<u>2,832,647</u>	<u>2,928,932</u>	<u>(96,285)</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>632,040</u>	<u>(151,494)</u>	<u>527,329</u>	<u>678,823</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(280,000)	(229,500)	(215,676)	13,824
Total Other Financing Sources (Uses)	<u>(280,000)</u>	<u>(229,500)</u>	<u>(215,676)</u>	<u>13,824</u>
Net Change in Fund Balance	<u>352,040</u>	<u>(380,994)</u>	<u>311,653</u>	<u>692,647</u>
Fund Balance - Beginning	9,104,176	9,104,176	9,104,176	-
Fund Balance - Ending	<u>\$9,456,216</u>	<u>\$8,723,182</u>	<u>\$ 9,415,829</u>	<u>\$ 692,647</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues:				
Parish transportation funds-Louisiana	340,000	\$ 304,000	\$ 323,707	\$ 19,707
Federal grants	-	-	69,273	69,273
Uses of money & property	18,000	7,000	6,394	(606)
Other revenues	-	11,248	33,740	22,492
Total Revenues	<u>358,000</u>	<u>322,248</u>	<u>433,114</u>	<u>110,866</u>
EXPENDITURES				
Current:				
Roads	3,176,525	3,201,700	3,019,249	182,451
Capital Outlay	-	298,000	282,156	15,844
Total Expenditures	<u>3,176,525</u>	<u>3,499,700</u>	<u>3,301,405</u>	<u>198,295</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(2,818,525)</u>	<u>(3,177,452)</u>	<u>(2,868,291)</u>	<u>309,161</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,074,000	2,844,000	2,949,676	105,676
Transfers out	-	(482,153)	(479,260)	2,893
Sale of capital assets	-	20	16,720	16,700
Total Other Financing Sources (Uses)	<u>3,074,000</u>	<u>2,361,867</u>	<u>2,487,136</u>	<u>125,269</u>
Net Change in Fund Balance	<u>255,475</u>	<u>(815,585)</u>	<u>(381,155)</u>	<u>434,430</u>
Fund Balance - Beginning	1,123,262	1,123,262	1,123,262	-
Fund Balance - Ending	<u>\$ 1,378,737</u>	<u>\$ 307,677</u>	<u>\$ 742,107</u>	<u>\$ 434,430</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes - sales tax	\$ 4,000,000	\$ 4,250,000	\$ 4,967,662	\$ 717,662
Fees, charges and commissions	-	28,762	28,762	-
Uses of money & property	25,000	16,500	15,412	(1,088)
Other revenues	-	1,083	1,083	-
Total Revenues	<u>4,025,000</u>	<u>4,296,345</u>	<u>5,012,919</u>	<u>716,574</u>
EXPENDITURES				
Current:				
General government finance & admin	200,000	200,100	119,234	80,866
Public Works Sanitation	968,361	1,039,917	968,409	71,508
Capital Outlay	-	100,000	2,802	97,198
Total Expenditures	<u>1,168,361</u>	<u>1,340,017</u>	<u>1,090,445</u>	<u>249,572</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>2,856,639</u>	<u>2,956,328</u>	<u>3,922,474</u>	<u>966,146</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,344,000)	(4,094,000)	(3,741,251)	352,749
Sale of capital assets	-	-	49	49
Total Other Financing Sources (Uses)	<u>(3,344,000)</u>	<u>(4,094,000)</u>	<u>(3,741,202)</u>	<u>352,798</u>
Net Change in Fund Balance	<u>(487,361)</u>	<u>(1,137,672)</u>	<u>181,272</u>	<u>1,318,944</u>
Fund Balance -Beginning	3,223,524	3,223,524	3,223,524	-
Fund Balance - Ending	<u>\$ 2,736,163</u>	<u>\$ 2,085,852</u>	<u>\$ 3,404,796</u>	<u>\$ 1,318,944</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 395,217	\$ 266,100	\$ 315,371	\$ 49,271
Intergovernmental Revenues:				
State revenue sharing	4,020	4,518	4,519	1
Uses of Money & Property	18,000	7,345	6,366	(979)
Other Revenues	-	418	418	-
Total Revenues	417,237	278,381	326,674	48,293
EXPENDITURES				
Current:				
General government	14,678	15,575	15,346	229
Public Works: Roads	850,650	797,732	304,832	492,900
Capital Outlay	-	60,000	56,751	3,249
Total Expenditures	865,328	873,307	376,929	496,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	(448,091)	(594,926)	(50,255)	544,671
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	130	130	-
Total Other Financing Sources (Uses)	-	130	130	-
Net Change in Fund Balance	(448,091)	(594,796)	(50,125)	544,671
Fund Balance - Beginning	1,238,619	1,238,619	1,238,619	-
Fund Balance - Ending	\$ 790,528	\$ 643,823	\$ 1,188,494	\$ 544,671

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 16 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 167,238	\$ 165,594	\$ 158,221	\$ (7,373)
Fines and fees	-	-	-	-
Intergovernmental revenues:				
Federal grants	-	-	-	-
State revenue sharing	5,647	5,663	5,614	(49)
Other state funds	-	-	4,743	4,743
Uses of money & property	3,000	1,446	1,370	(76)
Total Revenues	<u>175,885</u>	<u>172,703</u>	<u>169,948</u>	<u>(2,755)</u>
EXPENDITURES				
Current:				
General government	6,201	6,385	6,367	18
Public Works: Roads	181,700	124,967	101,529	23,438
Capital Outlay	-	25,000	138,992	(113,992)
Debt Service:				
Principal retirement	12,069	12,013	12,069	(56)
Interest and other charges	1,809	1,865	1,809	56
Total Expenditures	<u>201,779</u>	<u>170,230</u>	<u>260,766</u>	<u>(90,536)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(25,894)</u>	<u>2,473</u>	<u>(90,818)</u>	<u>(93,291)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	48,000	48,000	-
Sale of capital assets	-	2,130	6,530	4,400
Total Other Financing Sources (Uses)	<u>-</u>	<u>50,130</u>	<u>54,530</u>	<u>4,400</u>
Net Change in Fund Balance	<u>(25,894)</u>	<u>52,603</u>	<u>(36,288)</u>	<u>(88,891)</u>
Fund Balance - Beginning	59,828	59,828	59,828	-
Fund Balance - Ending	<u>\$ 33,934</u>	<u>\$ 112,431</u>	<u>\$ 23,540</u>	<u>\$ (88,891)</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes-ad valorem	\$ 214,558	\$ 214,655	\$ 237,178	\$ 22,523
Intergovernmental Revenues:				
State revenue sharing	6,382	6,523	6,498	(25)
Uses of money & property	36,000	13,385	12,282	(1,103)
Total Revenues	<u>256,940</u>	<u>234,563</u>	<u>255,958</u>	<u>21,395</u>
EXPENDITURES				
Current:				
General government	7,963	8,608	8,563	45
Health and welfare	117,000	121,000	102,457	18,543
Total Expenditures	<u>124,963</u>	<u>129,608</u>	<u>111,020</u>	<u>18,588</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>131,977</u>	<u>104,955</u>	<u>144,938</u>	<u>39,983</u>
Net Change in Fund Balance	131,977	104,955	144,938	39,983
Fund Balance - Beginning	2,272,500	2,272,500	2,272,500	-
Fund Balance - Ending	<u>\$ 2,404,477</u>	<u>\$ 2,377,455</u>	<u>\$ 2,417,438</u>	<u>\$ 39,983</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, 2020**

	Budgeted Amounts		Variance With Final Budget Positive (Negative)	
	Original	Final	Actual	
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 3,050,000	\$ 3,371,817	\$ 3,370,023	\$ (1,794)
EXPENDITURES				
Current:				
Economic Development:	3,050,000	3,371,817	3,370,023	\$ 1,794
Total expenditures	3,050,000	3,371,817	3,370,023	1,794
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, 2020**

	2020	2019
Total OPEB liability		
Service cost	\$ 133,153	133,153
Interest cost	187,740	174,644
Changes in benefit terms	-	-
Differences between expected and actual experience	(520,514)	-
Changes in assumptions	1,380,955	-
Benefit payments	(130,652)	(112,394)
Net change in total OPEB liability	1,050,682	195,403
Total OPEB liability-beginning	4,511,206	4,315,803
Total OPEB liability-ending	\$ 5,561,888	4,511,206
Covered-employee payroll	1,510,590	884,711
Net OPEB liability as a percentage of covered-employee payroll	368.19%	509.91%

Notes to the Schedule:

Benefit Changes. There were no changes of benefit terms for the year ended December 31, 2020.

Changes of Assumptions. For the year ended December 31, 2020, the mortality assumption was updated using the RPH-2014 Total Table with Projection MP-2020. The annual medical trend rate was lowered from 5.00% to 4.50%. The discount rate was lowered from 4.10% to 2.12%, using the recently published Bond Buyer GO-20 bond index.

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, 2020**

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)					
2020	0.22054%	\$ 10,382	\$ 1,403,838	1%	99.9%
2019	0.24582%	\$ 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	35%	94.1%
2016	0.25280%	\$ 665,429	\$ 1,449,428	46%	92.2%
2015	0.23655%	\$ 64,676	\$ 1,355,036	5%	99.1%
District Attorneys' Retirement System (DARS)					
2020	0.03671%	\$ 29,087	\$ 22,775	128%	84.9%
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)					
2020	0.06717%	\$ 14,471	\$ 12,200	119%	83.32%
2019	0.08673%	\$ 16,218	\$ 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, 2020**

Parochial Employees' Retirement System (PERS)

2020	\$	245,811	\$	245,811	\$	-	\$	2,006,615	12.25%
2019	\$	161,442	\$	161,442	\$	-	\$	1,403,838	11.50%
2018	\$	175,548	\$	175,548	\$	-	\$	1,504,002	12.50%
2017	\$	192,862	\$	192,862	\$	-	\$	1,542,887	12.50%
2016	\$	185,198	\$	185,198	\$	-	\$	1,424,597	13.00%
2015	\$	210,167	\$	210,167	\$	-	\$	1,449,428	14.50%

District Attorneys' Retirement System (DARS)

2020	\$	911	\$	911	\$	-	\$	22,775	4.00%
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)

2020	\$	2,196	\$	2,196	\$	-	\$	12,200	18.00%
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.

Other 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, 2020**

William Weatherford, Secretary-Treasurer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 73,046
Benefits-Insurance	38,254
Benefits-Retirement	8,948
Deferred Compensation	4,529
Car allowance	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 124,777</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**

Justice System Funding Schedule - Receiving Entity
 As Required by Act 87 of the 2020 Regular Legislative Session
 For the Year Ended December 31, 2020

	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Cash Basis Presentation		
Receipts From:		
Sabine Parish Sheriff - Criminal Court Costs/ Fees	\$ 71,172.61	\$ 107,101.13
Sabine Parish Sheriff - Other	\$ 8,481.86	\$ 12,569.50
Total Receipts	<u>\$ 79,654.47</u>	<u>\$ 119,670.63</u>

See the accompanying independent auditor's report

SABINE PARISH POLICE JURY
Many, Louisiana

Notes to Required Supplementary Information
Year Ended December 31, 2020

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.

Other Supplementary Information

**SABINE PARISH POLICE JURY
Many, Louisiana**

**Other Nonmajor Governmental Funds
Year Ended December 31, 2020**

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, 2020

	Special Revenue						
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1	Grant Fund	Total
ASSETS							
Cash and cash equivalents	\$ 1,918,821	\$ 2,383	\$ 34,474	\$ -	\$ 91,441	\$ -	\$ 2,047,119
Revenue receivables	2,516,916	175	13,460	1,829	-	-	2,532,380
Prepaid expenses	1,488	-	182	-	-	-	1,670
Due from other governments	-	-	-	-	-	-	-
Total Assets	<u>\$ 4,437,225</u>	<u>\$ 2,558</u>	<u>\$ 48,116</u>	<u>\$ 1,829</u>	<u>\$ 91,441</u>	<u>\$ -</u>	<u>\$ 4,581,169</u>
LIABILITIES							
Accounts payable	\$ 341,978	\$ -	\$ 8,726	\$ -	\$ -	\$ 32,036	\$ 382,740
Due to other funds	178,333	-	-	-	-	-	178,333
Master bank overdrafts	140,141	-	-	43,551	-	-	183,692
Total Liabilities	<u>\$ 660,452</u>	<u>\$ -</u>	<u>\$ 8,726</u>	<u>\$ 43,551</u>	<u>\$ -</u>	<u>\$ 32,036</u>	<u>\$ 744,765</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable federal grants	\$ 39,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,404
Unavailable property taxes	255,220	-	-	-	-	-	255,220
Total Deferred Inflows of Resources	<u>\$ 294,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,624</u>
FUND BALANCES							
Nonspendable	\$ 1,488	\$ -	\$ 182	\$ -	\$ -	\$ -	\$ 1,670
Restricted to:							
Judicial	-	-	39,208	-	-	-	39,208
Roads	3,480,661	-	-	-	-	-	3,480,661
Witness and juror fees	-	2,558	-	(41,722)	-	-	(39,164)
Economic development	-	-	-	-	91,441	(32,036)	59,405
Total Fund Balances	<u>\$ 3,482,149</u>	<u>\$ 2,558</u>	<u>\$ 39,390</u>	<u>\$ (41,722)</u>	<u>\$ 91,441</u>	<u>\$ (32,036)</u>	<u>\$ 3,541,780</u>
Total Liabilities & Fund Balances	<u>\$ 4,437,225</u>	<u>\$ 2,558</u>	<u>\$ 48,116</u>	<u>\$ 1,829</u>	<u>\$ 91,441</u>	<u>\$ -</u>	<u>\$ 4,581,169</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, 2020

REVENUES	Special Revenue						Total
	Combined Nonmajor Road Funds	Criminal Juror Fees Fund	Criminal Court Fund	Witness Fees Fund	Industrial District No. 1	Grant Fund	
Taxes:							
Ad valorem	\$ 2,369,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,369,393
Intergovernmental revenues: State funds							
Federal grants	142,511	-	-	-	-	288,322	430,833
State funds:							
State grants	420,005	-	-	-	-	-	420,005
State revenue sharing	66,829	-	-	-	-	-	66,829
Fines and forfeitures	-	2,196	181,110	18,599	-	-	201,905
Investment earnings	18,506	27	-	-	491	-	19,024
Road damage reimbursements	39,426	-	-	-	-	-	39,426
Other revenue	1,418	-	-	-	-	-	1,418
Total Revenues	3,058,088	2,223	181,110	18,599	491	288,322	3,548,833
EXPENDITURES							
Current:							
General government							
Judicial	-	7,566	271,171	5,415	-	-	284,152
Finance and administrative	-	-	-	-	-	31,247	31,247
Other general government	88,779	-	-	-	-	-	88,779
Public Works	2,757,284	-	-	-	-	-	2,757,284
Capital outlay	867,546	-	-	-	-	349,658	1,217,204
Debt service							
Principal	84,144	-	-	-	-	-	84,144
Interest	12,460	-	-	-	-	-	12,460
Total Expenditures	3,810,213	7,566	271,171	5,415	-	380,905	4,475,270
Excess (Deficiency) of Revenues over (Under) Expenditures	(752,125)	(5,343)	(90,061)	13,184	491	(92,583)	(926,437)
OTHER FINANCING SOURCES (USES)							
Sale of assets	32,192	-	-	-	-	-	32,192
Transfers in	527,261	-	110,000	-	-	60,547	697,808
Transfers out	(60,547)	-	-	-	-	-	(60,547)
Total Other Financing Sources and Uses	498,906	-	110,000	-	-	60,547	669,453
Net Change in Fund Balance	(253,219)	(5,343)	19,939	13,184	491	(32,036)	(256,984)
Fund Balances - Beginning	3,735,368	7,901	19,451	(54,906)	90,950	-	3,798,764
Fund Balances - Ending (Deficit)	\$ 3,482,149	\$ 2,558	\$ 39,390	\$ (41,722)	\$ 91,441	\$ (32,036)	\$ 3,541,780

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, 2020

	Special Revenue								
	District 1	District 9	District 4	District 15	District 17	District 18	District 19	District 20	Total
ASSETS									
Cash and cash equivalents	\$ 489,796	\$ 185,411	\$ 592,795	\$ 139,951	\$ -	\$ -	\$ 510,868	\$ -	\$ 1,918,821
Revenue receivables	447,869	329,714	318,000	371,427	520,393	194,672	216,196	118,645	2,516,916
Prepaid expenses	148	106	206	245	293	228	140	122	1,488
Total Assets	<u>\$ 937,813</u>	<u>\$ 515,231</u>	<u>\$ 911,001</u>	<u>\$ 511,623</u>	<u>\$ 520,686</u>	<u>\$ 194,900</u>	<u>\$ 727,204</u>	<u>\$ 118,767</u>	<u>\$ 4,437,225</u>
LIABILITIES									
Accounts payable	\$ 69,186	\$ 134,606	\$ 31,467	\$ 25,650	\$ 53,250	\$ 8,059	\$ 15,312	\$ 4,448	\$ 341,978
Due to other funds	-	-	-	-	-	178,333	-	-	178,333
Master bank overdrafts	-	-	-	-	60,439	2,179	-	77,523	140,141
Total Liabilities	<u>\$ 69,186</u>	<u>\$ 134,606</u>	<u>\$ 31,467</u>	<u>\$ 25,650</u>	<u>\$ 113,689</u>	<u>\$ 188,571</u>	<u>\$ 15,312</u>	<u>\$ 81,971</u>	<u>\$ 660,452</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable federal grants	\$ -	\$ 39,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,404
Unavailable property taxes	61,307	14,452	44,931	88,458	13,818	5,379	27,029	(154)	255,220
Total Deferred Inflows of Resources	<u>\$ 61,307</u>	<u>\$ 53,856</u>	<u>\$ 44,931</u>	<u>\$ 88,458</u>	<u>\$ 13,818</u>	<u>\$ 5,379</u>	<u>\$ 27,029</u>	<u>\$ (154)</u>	<u>\$ 294,624</u>
FUND BALANCES									
Nonspendable	\$ 148	\$ 106	\$ 206	\$ 245	\$ 293	\$ 228	\$ 140	\$ 122	1,488
Restricted to:									
Roads	807,172	326,663	834,397	397,270	392,886	722	684,723	36,828	3,480,661
Total Fund Balances	<u>\$ 807,320</u>	<u>\$ 326,769</u>	<u>\$ 834,603</u>	<u>\$ 397,515</u>	<u>\$ 393,179</u>	<u>\$ 950</u>	<u>\$ 684,863</u>	<u>\$ 36,950</u>	<u>\$ 3,482,149</u>
Total Liabilities & Fund Balances	<u>\$ 937,813</u>	<u>\$ 515,231</u>	<u>\$ 911,001</u>	<u>\$ 511,623</u>	<u>\$ 520,686</u>	<u>\$ 194,900</u>	<u>\$ 727,204</u>	<u>\$ 118,767</u>	<u>\$ 4,437,225</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, 2020

	Special Revenue								
	District 1	District 9	District 4	District 15	District 17	District 18	District 19	District 20	Total
REVENUES									
Taxes:									
Ad valorem	\$ 395,067	\$ 337,399	\$ 276,633	\$ 301,685	\$ 532,500	\$ 199,985	\$ 203,421	\$ 122,703	\$ 2,369,393
Intergovernmental revenues:									
Federal grants	-	-	-	6,537	3,499	132,475	-	-	142,511
State funds:									
State grants	-	-	-	-	-	420,005	-	-	420,005
State revenue sharing	8,557	9,690	3,413	14,082	14,359	7,212	5,362	4,154	66,829
Investment earnings	4,347	2,452	3,692	1,702	2,146	637	3,169	361	18,506
Road damage reimbursements	-	2,921	23,754	-	200	12,551	-	-	39,426
Other revenue	418	-	1,000	-	-	-	-	-	1,418
Total Revenues	<u>408,389</u>	<u>352,462</u>	<u>308,492</u>	<u>324,006</u>	<u>552,704</u>	<u>772,865</u>	<u>211,952</u>	<u>127,218</u>	<u>3,058,088</u>
EXPENDITURES									
Current:									
General government - other	15,337	12,084	11,059	12,523	18,754	7,007	7,698	4,317	88,779
Public works	519,063	365,661	178,798	297,621	467,887	353,050	168,483	406,721	2,757,284
Capital Outlays	56,751	138,992	78,650	-	38,153	525,006	3,520	26,474	867,546
Debt service									
Principal	-	12,069	5,875	-	35,916	24,409	-	5,875	84,144
Interest	-	1,809	1,160	-	5,255	3,076	-	1,160	12,460
Total Expenditures	<u>591,151</u>	<u>530,615</u>	<u>275,542</u>	<u>310,144</u>	<u>565,965</u>	<u>912,548</u>	<u>179,701</u>	<u>444,547</u>	<u>3,810,213</u>
Excess (Deficiency) of Revenues over									
(Under) Expenditures	<u>(182,762)</u>	<u>(178,153)</u>	<u>32,950</u>	<u>13,862</u>	<u>(13,261)</u>	<u>(139,683)</u>	<u>32,251</u>	<u>(317,329)</u>	<u>(752,125)</u>
OTHER FINANCING SOURCES (USES)									
Sale of assets	130	6,530	18,750	-	450	-	82	6,250	32,192
Transfers in	-	56,589	-	38,424	28,996	178,812	-	224,440	527,261
Transfers out	-	-	-	-	(60,547)	-	-	-	(60,547)
Total Other Financing Sources and Uses	<u>130</u>	<u>63,119</u>	<u>18,750</u>	<u>38,424</u>	<u>(31,101)</u>	<u>178,812</u>	<u>82</u>	<u>230,690</u>	<u>498,906</u>
Net Change in Fund Balance	<u>(182,632)</u>	<u>(115,034)</u>	<u>51,700</u>	<u>52,286</u>	<u>(44,362)</u>	<u>39,129</u>	<u>32,333</u>	<u>(86,639)</u>	<u>(253,219)</u>
Fund Balances - Beginning	<u>989,952</u>	<u>441,803</u>	<u>782,903</u>	<u>345,229</u>	<u>437,541</u>	<u>(38,179)</u>	<u>652,530</u>	<u>123,589</u>	<u>3,735,368</u>
Fund Balances - Ending	<u>\$ 807,320</u>	<u>\$ 326,769</u>	<u>\$ 834,603</u>	<u>\$ 397,515</u>	<u>\$ 393,179</u>	<u>\$ 950</u>	<u>\$ 684,863</u>	<u>\$ 36,950</u>	<u>\$ 3,482,149</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, 2020

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 \$1,200 per month 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	\$ 1,703	\$ 62	\$ 1,765
Thomas Stewart	One	12,697	210	12,907
Mike McCormic, President	Two	15,458	2,524	17,982
Charlie Brown, (Deceased)	Three	14,400	197	14,597
Melissa Brown	Three	-	7	7
William E. Ruffin	Four	14,400	368	14,768
Ronny Bison	Five	1,845	10	1,855
Jeffrey Davidson	Six	12,697	260	12,957
Eric Garcie	Six	14,400	294	14,694
Ricky Sepulvado	Seven	14,400	514	14,914

*The term of current police jurors expires on January 12, 2024.

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, 2020**

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	\$ 1,106,252	\$ 1,106,252	\$ 1,106,252
Adult Administration	17.258	90,556	90,556	90,556
Youth Program	17.259	838,660	838,660	838,660
Youth Administration	17.259	199,712	199,712	199,712
Dislocated Workers Program	17.278	966,321	966,321	966,321
Dislocated Workers Administration	17.278	168,522	168,522	168,522
Total United States Department of Labor		\$ 3,370,023	\$ 3,370,023	\$ 3,370,023
United States Department of Homeland Security				
Federal Emergency Management Agency:				
Governor's Office of Homeland Security and Emergency Preparedness				
Public Assistance Disaster Grant Program	97.036	\$ 65,337	\$ 65,337	\$ -
Total Department of Homeland Security		65,337	65,337	-
United States Department of Housing and Urban Development:				
Louisiana Division of Administration - Office of Community Development				
2019 LCDBG Public Facilities Program	14.228	\$ 288,322	\$ 288,322	\$ -
Total United States Department of Housing and Urban Development		\$ 288,322	\$ 288,322	\$ -
Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds				
Governor's Office of Homeland Security and Emergency Preparedness				
Cares Act	21.027	\$ 80,404	\$ 80,404	\$ -
Total Department of Treasury		\$ 80,404	\$ 80,404	\$ -
Total Federal Financial Assistance		\$ 3,804,086	\$ 3,804,086	\$ 3,370,023

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, 2020**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of the Police Jury under programs of the federal government for the year ended December 31, 2020. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portions of the operations of the Police Jury, it is not intended to and does not present the financial position, changes in net position or cash flows of the Police Jury.

2. Summary of Significant Accounting Policies

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

3. Indirect Cost Rate

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

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, 2020, 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 November 29, 2021

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 TWO instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Items 2020-1 and 2020-2.

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

November 29, 2021
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, 2020. 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, 2020.

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

November 29, 2021
Mansfield, Louisiana

**Sabine Parish Police Jury
Many, Louisiana
Schedule of Audit Findings and Questioned Costs
Year Ended December 31, 2020**

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, 2020.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed two instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any significant deficiencies in internal control over a major program.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed no findings related to federal awards that is required to be reported under the Uniform Guidance
7. The following program was major for the year ended December 31, 2020:
 - 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 findings relates to the financial statements and is required to be reported in accordance with *Government Auditing Standards*.

Compliance

2020-1 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, 2020, 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 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
Schedule of Audit Findings and Questioned Costs
Year Ended December 31, 2020**

B. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (continued)

2020-2 Local Government Budget Act

Criteria - Louisiana State Law requires that when actual revenues (including other financing sources) are less than budgeted revenues (including other financing sources) by more than 5% and/or actual expenditures (including other financing uses) are more than budgeted expenditures (including other financing uses) by 5% or more, the budget should be amended.

Finding - For the year ended December 31, 2020, actual expenses were more than budgeted expenditures by more than the 5% variance (\$8,512) allowed in Road District 16.

Cause – The Police Jury failed to properly amend the budget for capital outlays during the current year.

Effect – The budget cannot be used as an effective management tool to control expenditures.

Recommendation – The Police Jury should institute procedures to ensure the budget is amended whenever actual expenditures (including other financing uses) are more than budgeted expenditures (including other financing uses) by more than 5% allowed

C. FINDINGS IN ACCORDANCE WITH *UNIFORM GUIDANCE*

None.

D. PRIOR YEAR AUDIT FINDINGS

Compliance:

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

Unresolved See 2020-1.

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Management's Response to Finding


The management of the Sabine Parish Police Jury offers the following response to the findings identified in the annual financial audit for the year ended December 31, 2020:

2020-1 Deficit Fund Balance

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 2020 is an indication that the court fees are now adequate to pay annual witness fees and, over time, will eliminate the fund deficit.

2020-2 – Local Government Budget Act

The Police Jury will continue to closely review the actual expenditures to the budgeted expenditures on a monthly basis. The Jury will budget sufficient expenditures to fund unexpected costs in the latter part of the fiscal year.


William E. Weatherford
Secretary Treasurer