

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**Financial Statements**  
**For Year Ended June 30, 2023**

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
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June 30, 2023

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**Many, Louisiana**  
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### INDEPENDENT AUDITOR'S REPORT

Honorable Aaron Mitchell  
Sabine Parish Sheriff  
Many, Louisiana

#### ***Report on the Audit of the Financial Statements***

##### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the of the Sabine Parish Sheriff (Sheriff), Many, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Sabine Parish Sheriff, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

##### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

##### ***Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the information listed in the table of contents as Required Supplemental Information Part I and Part II be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to Required Supplementary Information Part I 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sabine Parish Sheriff's basic financial statements. The supplementary information, listed in the table of contents as Other Supplemental Information, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information and the Required Supplemental Information Part II are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, on our consideration of the Sabine Parish Sheriff'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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Sabine Parish Sheriff's internal control over financial reporting and compliance.

### ***Report on Other Legal and Regulatory Requirements***

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 19, 2023, on the results of our state-wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state-wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, Louisiana  
December 19, 2023

**REQUIRED SUPPLEMENTAL INFORMATION (PART I)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Unaudited)**

**Sabine Parish Sheriff  
Many, Louisiana  
FYE June 30, 2023**

**Management's Discussion and Analysis (Unaudited)**

Within this section of the Sabine Parish Sheriff's (the Sheriff) annual financial report, the Sheriff's management is pleased to provide this narrative overview and analysis of the financial activities of the Sheriff as of and for the fiscal year ended June 30, 2023. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with the Sheriff's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

**FINANCIAL HIGHLIGHTS**

- The Sheriff's total net position decreased \$39,047 (0.80%) during the fiscal year reported compared to an increase of \$195,073 (4.14%) at June 30, 2022. At June 30, 2023, the assets of the Sheriff exceeded its liabilities by \$4,864,803 compared to the prior year's ending net position of \$4,903,850.
- A net pension liability of \$4,939,351 was reported for the year ended June 30, 2023, an increase of \$5,202,128 from the net pension asset of \$262,777 reported for the year ended June 30, 2022.
- OPEB liabilities increased \$561,624 (8.56%) to \$7,119,680 for year end June 30, 2023 from \$6,558,056 reported in the prior year.
- Property tax revenue increased \$132,301 (3.66%) to \$3,749,168 during this fiscal year.
- Sales tax revenue increased \$641,479 (14.49%) to \$5,067,327 during the fiscal year.
- The Sheriff's total general and program revenues were \$11,502,565 during the year ended June 30, 2023, compared to \$10,021,908 for the year ended June 30, 2022, an increase of \$1,480,657 (14.77%).
- During the year ended June 30, 2023, the Sheriff's total expenses, excluding depreciation and amortization, were \$11,084,206, compared to \$9,384,842 during the year ended June 30, 2022, an increase of \$1,699,364 (18.11%). Depreciation and amortization expense was \$457,406 in 2023 compared to \$441,993 in 2022.
- The Sheriff's capital assets had a net decrease of \$94,156 (3.52%) for the year ended June 30, 2023, compared to a net increase of \$205,243 (8.36%) for the year ended June 30, 2022.

The financial highlights are explained in more detail in the "financial analysis" section of this document.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements include two kinds of financial statements that present different views of the Sheriff -- Fund Financial Statements and Government-Wide Financial Statements. The Notes to the Financial Statements explain some of the information in the financial statements and provide additional detail. This report also contains additional required supplementary information (budgetary schedule) and other supplementary information in addition to the basic financial statements. These components are described below:

Governmental Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

Governmental funds are reported in the governmental fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented in the first three columns of the basic financial statements in this report.

The Sheriff maintains one governmental fund, the General Fund. 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 which is classified as a major fund.

### Government-Wide Financial Statements

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds. These statements report all revenues and expenses connected with the year--even if cash has not been received or paid--and includes all assets of the Sheriff as well as liabilities (long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB 34 in regard to interfund activity, payables, and receivables. The government-wide financial statements include two statements. The following two statements report the Sheriff's *net position* and changes in them. The Sheriff's net position--the difference between assets and liabilities--can be thought of as one way to measure the Sheriff's financial health, or *financial position*.

- **Statement of Net Position.** This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would also extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.
- **Statement of Activities.** This reports how the Sheriff's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property and sales taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented in the last column of these reports.

### Fiduciary Fund Type Financial Statements

The Fiduciary fund financial statements report taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The Sheriff only reports custodial funds. The statement of fiduciary net position and statement of changes in fiduciary net position are presented as basic financial statements in this report.

### Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide additional information 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 immediately following the basic financial statements.

### Required Supplemental Information

The basic financial statements and accompanying notes are followed by a section of required supplementary information concerning the Sheriff's budget presentations, employee and retiree pension and health benefits. Budgetary comparison statements are included for the general fund as "required supplementary information." This statement is a schedule demonstrating compliance with the Sheriff's adopted and final revised budget.

### Other Supplemental Information

Following the required supplementary information is other supplemental information. A combining statement of fiduciary net position – custodial funds and combining statement of changes in fiduciary net position – custodial funds are presented to provide individual custodial fund detail. A report for the Sheriff as ex officio tax collector is presented as required by the Louisiana Legislative Auditor. The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3). The justice system funding schedule – collecting/dispersing entity and the justice system funding schedule – receiving entity are presented to fulfil the requirements of Louisiana Revised Statute 24:515.2.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### Net Position

The following table provides a summary of the Sheriff's net position:

#### **SUMMARY OF STATEMENTS OF NET POSITION**

	June 30, 2023		June 30, 2022	
	Governmental Activities	% of Total	Governmental Activities	% of Total
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 6,236,635	45.02%	\$ 5,220,452	38.44%
Investments	4,310,418	31.12%	4,743,283	34.93%
Receivables	688,228	4.97%	634,150	4.67%
Prepaid items	37,517	0.27%	46,117	0.34%
Capital assets, net	2,579,397	18.62%	2,673,553	19.69%
Net pension benefit	-	0.00%	262,777	1.93%
TOTAL ASSETS	13,852,195	100.00%	13,580,332	100.00%
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension and OPEB related	5,258,856	100.00%	2,851,643	100.00%
<b>LIABILITIES</b>				
Current liabilities	313,896	2.50%	338,964	4.80%
Long-term liabilities:				
OPEB liabilities	7,119,680	56.63%	6,558,056	92.93%
Net pension liabilities	4,939,351	39.29%	-	0.00%
Other long-term liabilities	198,366	1.58%	160,214	2.27%
TOTAL LIABILITIES	12,571,293	100.00%	7,057,234	100.00%
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension and OPEB related	1,674,955	100.00%	4,470,891	100.00%
<b>NET POSITION</b>				
Net investment in capital assets	2,575,164	52.93%	2,662,561	54.30%
Restricted for other uses	113,808	2.34%	64,877	1.32%
Unrestricted	2,175,831	44.73%	2,176,412	44.38%
TOTAL NET POSITION	\$ 4,864,803	100.00%	\$ 4,903,850	100.00%

As noted earlier, net position may serve over time as a useful indicator of the Sheriff's financial position. The Sheriff's net position total is \$4,864,803 at June 30, 2023.

A portion of the Sheriff's net position \$2,575,164 (52.93%) reflects its investment in capital assets such as buildings, safety equipment, vehicles, and computer hardware and software. The Sheriff uses these capital assets to provide services to the citizens of the parish; consequently, these assets are not available for future spending. There is \$4,233 outstanding lease obligation debt related to these assets. At June 30, 2023 \$2,175,831 (44.73%) of the net position is unrestricted and may be used to meet the Sheriff's ongoing obligations to citizens and creditors at the discretion of the Sheriff. The unrestricted net position consists primarily of cash, demand and time deposits, and investments.

Total liabilities increased \$5,514,059 or 78.13% from \$7,057,234 at June 30, 2022, to \$12,571,293 at June 30, 2023. This significant change resulted primarily from changes in pension related balances. There was a change of \$5,202,128 in pension related balances from a \$262,777 net pension asset recognized in the prior year to a \$4,939,351 net pension liability in the current year.

**Changes in Net Position**

Comparative data for government-wide information is presented as it accumulates and is presented to assist analysis in future years. The following table provides a summary of the Sheriff's changes in net position:

**SUMMARY OF STATEMENTS OF ACTIVITIES**

	June 30, 2023		June 30, 2022	
	Governmental Activities	% of Total	Governmental Activities	% of Total
<b>REVENUES:</b>				
Program:				
Charges for services	\$ 2,189,483	19.03%	\$ 2,068,161	20.64%
Operating and capital grants	486,292	4.23%	400,988	4.00%
General:				
Property taxes	3,749,168	32.59%	3,616,867	36.09%
Sales tax	5,067,327	44.05%	4,425,848	44.16%
State revenue sharing	66,707	0.58%	66,607	0.66%
Miscellaneous	21,568	0.19%	14,462	0.14%
Investment earnings (losses)	(77,980)	-0.68%	(571,025)	-5.70%
<b>TOTAL REVENUES</b>	<b>11,502,565</b>	<b>100%</b>	<b>10,021,908</b>	<b>100%</b>
<b>PROGRAM EXPENSES:</b>				
Public safety	11,541,612		9,826,835	
<b>TOTAL EXPENSES</b>	<b>11,541,612</b>		<b>9,826,835</b>	
<b>CHANGE IN NET POSITION</b>	<b>(39,047)</b>		<b>195,073</b>	
<b>BEGINNING NET POSITION</b>	<b>4,903,850</b>		<b>4,708,777</b>	
<b>ENDING NET POSITION</b>	<b>\$ 4,864,803</b>		<b>\$ 4,903,850</b>	

*Revenues*

The Sheriff is heavily reliant on sales and property taxes to support operations. Sales tax revenue provided \$5,067,327 (44.05%) of revenue during the current fiscal year. This was an increase of \$641,479 (14.49%) over the year ended June 30, 2022. Property taxes of \$3,749,168 provided 32.59% of the Sheriff's total revenues in the current fiscal year compared to \$3,616,867 or 36.09% for the year ended June 30, 2022. \$8,826,790 (76.74%) of total revenue was derived from general revenues including property and sales tax, state revenue sharing, interest, and miscellaneous. This compares to general revenues of \$7,577,219 (75.61%) for the year ended June 30, 2022.

Note that program revenues covered 23.18% of the government's operating expenses for year end June 30, 2023, compared to 25.13% for the year ended June 30, 2022. This means that the government's taxpayers and the Sheriff's other general revenues funded 76.82% of its operations during the year ended June 30, 2023; and 74.87% for year ended June 30, 2022.

Program revenues increased \$206,626 (8.37%) from \$2,469,149 in the year ended June 30, 2022, to \$2,675,775 in the current year. This was primarily due to an increase in charges for services and grants received in the current year.

*Functional Expenses*

The total function of the Sheriff’s office is public safety-law enforcement activities. Of the total costs, depreciation on the buildings, office equipment and vehicles was \$457,406 or 3.96% of total expenses.

**FINANCIAL ANALYSIS OF THE INDIVIDUAL FUNDS**

General Fund--Major Governmental Fund

The General Fund is the Sheriff’s primary operating fund and the largest source of day-to-day service delivery. The General Fund’s 2023 fund balance increased by \$653,864. Overall, revenues from all sources increased \$1,456,197 (14.49%) for the year. Expenditures reflect an increase of \$353,413 over last year, or about 3.37%.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Sheriff complies with state law, as amended, and as set forth in the Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA--R.S. 39:1301 seq.). The Sheriff did amend the original budget during the year.

Actual revenues available for expenditure were \$243,615 (2.16%) more than final budgeted amounts. Actual expenditures were \$129,841 (1.21%) more than the final budgeted amounts.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

The Sheriff’s investment in capital assets, as of June 30, 2023, was \$7,329,741, net of accumulated depreciation and amortization of \$4,750,344, leaving a book value of \$2,579,397. This investment in capital assets consists of, vehicles, furniture, fixtures and equipment, right-of-use assets, and buildings and improvements. The total net decrease in the Sheriff’s investment in capital assets for the current year was \$94,156 (3.52%).

Additions to capital assets during year end June 30, 2023, included detention center air conditioner replacement \$11,942; CID building roof, parking lot, and sidewalk repairs \$37,800; new drone surveillance system \$34,445; backup generator \$74,285; camera system \$6,983; ice machine \$5,062; sniper rifle \$5,090; 7 new and used vehicles totaling \$187,642. Depreciation and amortization charges for the year totaled \$457,406 compared to \$441,993 for 2022.

At June 30, 2023, the depreciable capital assets for governmental activities were 66.49% depreciated versus 63.14% in the prior year. This comparison indicates that the Sheriff has some aging assets and may have higher capital outlay costs in the future.

Debt

At year end, the Sheriff’s debt is for employees for uncompensated earned absences, accrued health care and life insurance benefits, pension benefits for retirees, and for lease obligations for right-of-use assets.

	Compensated Absences	Lease Obligations	Pension	OPEB
Debt at July 1, 2022	\$ 149,222	\$ 10,992	\$ (262,777)	\$ 6,558,056
Additions	44,911	-	5,202,128	561,624
Deductions	-	(6,759)	-	-
Debt at June 30, 2023	\$ <u>194,133</u>	\$ <u>4,233</u>	\$ <u>4,939,351</u>	\$ <u>7,119,680</u>

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The annual budget is developed to provide efficient, effective, and economic uses of the Sheriff's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Sheriff sets the direction of the department, allocates its resources, and establishes its priorities. The following economic factors were considered when the budget for the fiscal year end June 30, 2024, was prepared.

- Sales tax and property revenues are conservatively expected to remain constant over the prior year.
- The Sheriff plans to continue to update the vehicles in the department as well as update equipment but at an increased cost.
- Other revenues and expenditures are expected to be consistent with the prior year.

## **CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Sheriff's finances, compliance with governmental financial reporting laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Aaron Mitchell, Sheriff, P.O. Box 1440, Many, LA 71449.

## **BASIC FINANCIAL STATEMENTS**

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

STATEMENT A

**GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION**

June 30, 2023

	Governmental Funds Financial Statements		Government-wide Statements
	<b>Balance Sheet</b>		<b>Statement of</b>
<b>ASSETS</b>	General Fund	Adjustments	Net Position
Current assets:			
Cash	\$ 6,236,635	\$ -	\$ 6,236,635
Investments	4,310,418	-	4,310,418
Accounts receivables, net	688,228	-	688,228
Prepaid expenses	37,517	-	37,517
Noncurrent assets:			
Capital assets, net	-	2,579,397	2,579,397
<b>TOTAL ASSETS</b>	<b>\$ 11,272,798</b>	<b>2,579,397</b>	<b>13,852,195</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
OPEB related		1,275,000	1,275,000
Pension related		3,983,856	3,983,856
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>		<b>5,258,856</b>	<b>5,258,856</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 308,189	-	308,189
Accounts payable from restricted assets	5,707	-	5,707
Noncurrent liabilities:			
Lease obligation - due within one year	-	4,233	4,233
Compensated absences	-	194,133	194,133
OPEB liability	-	7,119,680	7,119,680
Net pension liability	-	4,939,351	4,939,351
<b>TOTAL LIABILITIES</b>	<b>313,896</b>	<b>12,257,397</b>	<b>12,571,293</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB related		1,405,781	1,405,781
Pension related		269,174	269,174
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>		<b>1,674,955</b>	<b>1,674,955</b>
<b>FUND BALANCE/NET POSITION</b>			
Fund Balances:			
Nonspendable - Prepaid expenses	37,517	(37,517)	-
Restricted - Inmate trust accounts	108,101	(108,101)	-
Unassigned	10,813,284	(10,813,284)	-
<b>TOTAL FUND BALANCES</b>	<b>10,958,902</b>	<b>(10,958,902)</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 11,272,798</b>	<b>-</b>	
Net Position:			
Net investment in capital assets		2,575,164	2,575,164
Restricted		108,101	108,101
Unrestricted		2,181,538	2,181,538
<b>TOTAL NET POSITION</b>		<b>\$ -</b>	<b>\$ 4,864,803</b>

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
GOVERNMENT-WIDE STATEMENT OF NET POSITION**

June 30, 2023

<b>Total Fund Balance, Governmental Funds</b>	\$	10,958,902
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Certain deferred outflows are reported in the Statement of Net Position but not in the governmental funds.

Deferred outflows-pension related		3,983,856
Deferred outflows-OPEB		1,275,000

Capital assets and right-of use assets used in governmental activities are not current financial resources and, therefore, are not reported in fund financial statements, but are reported in the governmental activities of the Statement of Net Position.

Cost of capital assets	\$ 7,329,740	
Less accumulated depreciation and amortization	<u>(4,750,343)</u>	2,579,397

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.

Compensated absences		(194,133)
OPEB liability		(7,119,680)
Net pension liability		(4,939,351)
Lease obligations due within one year		(4,233)
Deferred inflows-pension related		(269,174)
Deferred inflows-OPEB related		(1,405,781)

<b>Net Position of Governmental Activities in the Statement of Net Position</b>	\$	<u><u>4,864,803</u></u>
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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 SHERIFF**  
Many, Louisiana

**STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES / STATEMENT OF ACTIVITIES**

For the year ended June 30, 2023

	<u>Governmental Fund Financial Statements</u>		<u>Government-wide Statements</u>
	<u>Statement of Revenues</u>		<u>Statement of</u>
	<u>Expenditures and</u>		<u>Activities</u>
	<u>Changes in Fund Balance</u>	<u>Adjustments</u>	
<b>EXPENDITURES/EXPENSES</b>	<u>General Fund</u>		<u>Statement of</u>
Current:			
Public Safety:			
Personal services & related benefits	\$ 7,189,378	\$ 605,514	\$ 7,794,892
Operating expenses	1,531,903	-	1,531,903
Material & supplies	1,646,488	-	1,646,488
Travel & other charges	110,753	-	110,753
Debt Service - Leases:			
Principal	6,759	(6,759)	-
Interest	170	-	170
Capital outlays	363,250	(363,250)	-
Depreciation and Amortization	-	457,406	457,406
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>10,848,701</u>	<u>692,911</u>	<u>11,541,612</u>
<b>PROGRAM REVENUES</b>			
Charges for services	2,189,483	-	2,189,483
Operating grants and contributions	486,292	-	486,292
<b>TOTAL PROGRAM REVENUES</b>	<u>2,675,775</u>	<u>-</u>	<u>2,675,775</u>
<b>NET PROGRAM EXPENSE</b>	(8,172,926)	(692,911)	(8,865,837)
<b>GENERAL REVENUES</b>			
Property taxes	3,749,168	-	3,749,168
Sales taxes	5,067,327	-	5,067,327
State revenue sharing	66,707	-	66,707
Miscellaneous income	21,568	-	21,568
Investment earnings (losses)	(77,980)	-	(77,980)
<b>TOTAL GENERAL REVENUES</b>	<u>8,826,790</u>	<u>-</u>	<u>8,826,790</u>
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES / CHANGES IN NET POSITION</b>	653,864	(692,911)	(39,047)
<b>FUND BALANCE / NET POSITION</b>			
Beginning of the year	10,305,038		4,903,850
End of the year	<u>\$ 10,958,902</u>		<u>\$ 4,864,803</u>

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

For the year ended June 30, 2023

<b>Fund Financial statements excess of revenues over expenditures</b>	\$	653,864
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Governmental funds report capital outlays as expenditures because such outlays use current financial resources. However, for governmental activities those capital outlays are reported in the Statement of Net Position and are allocated over their useful lives in the Statement of Activities.

Capital outlays	\$ 363,250	
Depreciation and amortization expense	<u>(457,406)</u>	(94,156)

The issuance of long-term debt provides current financial resources for governmental funds, while principal payments made on long-term debt consume current financial resources. Neither effect government-wide financial statements.

Principal payments on capital leases	6,759
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In the Statement of Activities, certain operating expenses, are measured by the amounts accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amounts actually paid.

Pension (expense) benefit	\$ (580,678)	
Non-employer contributions to cost-sharing pension plan	280,987	
Accrued compensated absences	(44,911)	
Accrued other post employment benefit obligations	<u>(260,912)</u>	(605,514)

<b>Government-wide changes in net position</b>	\$	<u><u>(39,047)</u></u>
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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 SHERIFF**  
**Many, Louisiana**

**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**

June 30, 2023

		<b>Custodial Funds</b>
<b>ASSETS</b>		
Cash	\$	565,394
<b>Total Assets</b>	<b>\$</b>	<b><u>565,394</u></b>
<b>NET POSITION</b>		
Fiduciary net position - held for others	\$	<u>565,394</u>

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**

For the year ended June 30, 2023

<b>Additions:</b>	<u>Custodial Funds</u>
Taxes, fees, etc., received:	
Sheriff's sales, seizures, and garnishments	\$ 519,370
Fines, forfeitures, and costs	307,772
Taxes, fees, and state revenue sharing	22,024,737
Interest	20,633
Other additions	12,873
Total additions	<u>22,885,385</u>
<b>Reductions:</b>	
Louisiana Dept of Forestry	34,343
Louisiana Tax Commission	3,369
Northwest Crime Lab	37,731
Ware Juvenile Detention Center	5,982
Louisiana Rehabilitation	1,845
Louisiana Commission on Law Enforcement	4,884
Sabine Parish:	
Sheriff's General Fund	3,934,210
Clerk of Court	63,485
Police Jury	4,629,752
School Board	7,704,850
Assessor	1,587,300
Library	768
Crime Stoppers	1,554
District Attorney	56,190
Judicial Expense Fund	58,699
Criminal Court Fund	93,917
Indigent Defender Fund	65,988
Fire Protection Districts	2,881,239
Litigants, attorneys	174,714
State Pension Funds	606,947
Other Settlements	509,059
Refunds	44,379
Other reductions	67,512
Total reductions	<u>22,568,717</u>
<b>Net increase (decrease) in fiduciary net position</b>	<u>316,668</u>
<b>Net position, beginning</b>	<u>248,726</u>
<b>Net position, ending</b>	<u>\$ 565,394</u>

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

## **NOTES TO FINANCIAL STATEMENTS**

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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## **INTRODUCTION**

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

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

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Basis of Presentation**

The accompanying basic financial statements of the Sabine Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. 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 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 more detailed level of financial information.

The significant accounting and reporting policies and practices used by the Sabine Parish Sheriff are described below.

#### **B. Reporting Entity**

Governmental Accounting Standards Board Statement No. 14 established 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. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. Considering the foregoing criteria, the Sabine Sheriff is deemed to be a separate reporting entity. The accompanying financial statements present information only on the funds maintained by the Sabine Parish Sheriff. There are no component units to be included in the Sheriff's reporting entity.

For financial reporting purposes, the Sheriff's basic financial statements include all funds and activities that are controlled by the Sheriff as an independently elected parish official. The Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is a primary government for reporting purposes.

#### **C. Fund Accounting**

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The funds of the Sheriff are classified into two categories: governmental funds (general fund) and fiduciary funds (custodial funds).

**Governmental funds** are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The Sheriff has one governmental fund, the general fund.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Fund Accounting (continued)**

The emphasis of fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of an entity. The only governmental fund of the Sheriff, the general fund, is the only recognized major fund.

General Fund. The general fund, as provided by Louisiana Revised Statute 33:1422 is the principal fund and is used to account for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax and sales tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, and various other reimbursements, fees, grants, and commissions. General operating expenditures are paid from this fund.

Fiduciary funds reporting focuses on net position and changes in net position. The only funds accounted for in this category are custodial funds. These funds do not involve measurement of results of operation and, thus, have no measurement focus but use the accrual basis of accounting.

**D. Basis of Accounting/Measurement Focus**

**Governmental Fund Financial Statements**

The columns labeled Governmental Funds Financial Statements for the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Sheriff operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally received within 60 days after year-end) are recognized when due. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

Revenues

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

Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Fines, forfeitures, fees and court costs are recognized in the period they are released for distribution by the Courts.

Federal and state entitlements 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 Sheriff must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the Sheriff on a reimbursement basis.

Interest earnings on deposits are recorded when earned.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of Accounting/Measurement Focus (continued)**

Those revenues susceptible to accrual are sales taxes, property taxes, grants, contracts, interest revenue and charges for services. Substantially all other revenues, including fines, forfeitures, and commissions, are not susceptible to accrual because generally they are not measurable until received in cash.

**Expenditures**

Salaries and related benefits are recorded when employee services are provided. 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 and compensation for loss of assets are accounted for as other financing sources (uses). These other sources (uses) are recognized at the time the underlying events occur.

**Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Fiduciary Net Position – Custodial Funds and a Statement of Changes in Fiduciary Net Position – Custodial Funds. The only funds accounted for in this category by the Sheriff are custodial funds. The custodial funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections), individuals, and for deposits held pending court action. These funds do not involve measurement of results of operations. Consequently, the custodial funds have no measurement focus, but use the accrual basis of accounting. Data from the fiduciary funds is not incorporated in the government-wide financial statements.

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Program revenues include fees and charges paid by the recipients of services offered by the Sheriff, and grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**E. Cash, Interest-Bearing Deposits and Investments**

Cash includes cash on hand, amounts in demand deposits, interest-bearing demand deposits, money market accounts, time deposits (certificates of deposit), and short-term, highly liquid investment with original maturities of ninety (90) days or less when purchased. Under state law, the Sheriff 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 Sheriff may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local Louisiana governments are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

**F. Accounts Receivable**

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 sales tax, fees for services, and other intergovernmental revenues. All receivables are current and therefore due within one year. Allowances are reported when accounts are proven to be uncollectible.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Prepaid expenses**

Payments made to vendors for services or supplies that will benefit periods beyond June 30, 2023, are recorded as prepaid expenses.

**H. Capital Assets**

Capital assets which include property, plant, equipment, and right-of-use assets are reported in the government-wide financial statements. Under GASB 87, the Sheriff recognizes all leases over one year in term, with a present value of future lease payments exceeding \$7,500 as right-of-use assets. For recognized right-of-use asset leases, the present value of the future lease payments are amortized over the term of the leases. All other purchased and constructed capital assets are valued at historical cost or estimated cost if historical cost is not available. Donated capital assets are valued at their estimated fair value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing capital assets for reporting purposes for all capital assets but right-of-use assets. 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.

All capital assets, other than land and right-of-use assets, are depreciated using the straight-line method over their estimated useful lives, ranging from three to forty years depending upon the expected durability of the particular asset. Depreciation and amortization of all exhaustible capital assets and right-of-use assets is recorded as an expense in the statement of activities. Capital assets are recorded in the statement of net position.

**I. Compensated Absences**

The Sheriff has the following policy relating to vacation, sick leave, and compensatory time:

Vacation leave. Employees of the Sheriff that have been employed one year or more are eligible for vacation leave. Those with one through nine years of service earn two weeks of vacation leave per year and those with 10 or more years of service earn three weeks vacation leave per year. The annual accrual is based on the fiscal year, accruing on July 1 annually. New employees attaining one year of service during a fiscal year will earn a prorated leave amount. Annual leave can be carried over to a maximum of 42 hours. Employees are compensated for unused balances at termination of employment.

Sick leave. Employees are not compensated for unused sick leave balances at termination of employment.

Compensatory time. Policies for compensatory time have been modified effective July 1, 2022. Previously, law enforcement personnel were permitted to accrue compensatory time (comp-time) in lieu of overtime up to a maximum of 480 hours and other employees up to a maximum of 240 hours. The revision states that only school resource officers are allowed to accrued up to 480 hours and all other personnel cannot accrue more than 90 hours of comp time. Unused comp time is paid out at termination of employment.

The Sheriff's recognition and measurement criteria for compensated absences follows GASB Statement No. 16 which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if *both* of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payment at termination or retirement.

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Deferred Outflows/Inflows of Resources (continued)**

In addition to liabilities, the statement of financial position reports a separate section for Deferred Inflows of Resources. This separate financial statement element represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Sheriff recognizes differences between expected and actual factors in total pension liability measurements, changes in assumptions about future factors in the total pension liability measurements, and the differences between projected and actual earnings on pension plan investments within these financial statement sections.

**K. Pension Plan**

The Sabine Parish Sheriff is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 8. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to / deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. The financial statements were prepared using the accrual basis of accounting, member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with statutes governing the plan. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments have been reported at fair value within the plan.

**L. Other Postemployment Benefits**

The Sabine Parish Sheriff follows GASB Statement 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which requires the accrual of other postemployment benefits for retired employees. The sheriff has recorded a liability for other postemployment benefits (see Note 9). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment benefit 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 other postemployment benefit payments due and payable as of the end of the year.

**M. 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 amounts.

**N. Risk Management**

The Sheriff is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering: automobile liability, medical payments, uninsured motorist, and collision; health insurance providing 100 percent coverage for any employee injured while on the job; and surety bond coverage. The Sheriff also maintains a Louisiana Sheriffs' Risk Management Program liability insurance policy. No claim has been paid on the policy during the past three years nor is the Sheriff aware of any unfiled claims.

**O. 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:

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**O. Equity (continued)**

- 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 all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The Sabine Parish Sheriff's policy is to consider restricted net position to have been depleted before unrestricted net position is applied.

*Fund Balances.* As required by GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," this Statement provides clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

1. Nonspendable--Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
2. Restricted--Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government).
3. Committed--Amounts constrained by the Sheriff himself. To be reported as committed, amounts cannot be used for any other purpose unless the Sheriff takes the action to remove or change the constraint.
4. Assigned--Amounts the Sheriff intends to use for a specific purpose.
5. Unassigned--All other spendable amounts.

At June 30, 2023, \$37,517 was non-spendable prepaid expenses; \$113,808 was restricted by the grantor; and \$10,807,577 was unassigned.

The Sheriff would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

**2. LEVIED TAXES**

**Ad valorem taxes:**

The Sheriff was authorized 13.62 ad valorem tax millage and levied mills of 13.62 mills for the tax year 2022. Ad valorem taxes are recorded in the year the taxes are assessed. Total assessed value in the parish was \$315,646,357 for the tax year 2022. Under state law, the first \$75,000 of assessed value of your primary residence is exempt from ad valorem taxation. Of the total assessed value, \$40,607,369 or approximately \$553,073 in ad valorem taxes to the Sheriff, was exempt from taxation under this provision. The amount of ad valorem tax collections recognized for the year ending June 30, 2023 was \$3,749,168.

*Ad Valorem Taxes Paid Under Protest*

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of a notice, the amount paid shall be segregated and held by the tax collector for a period of thirty days. If a suit is filed within thirty days, the segregated funds shall be held pending outcome of the suit. If the taxpayer prevails, the tax collector shall refund the amount due with interest from the date the funds were received by the tax collector. As of June 30, 2023, there was \$248,646 paid under protest and escrowed.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

**2. LEVIED TAXES (continued)**

*Ad Valorem Tax Abatement*

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2023, approximately \$224,043 in Sabine Parish Sheriff ad valorem tax revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

**Sales Taxes:**

The Sheriff collects a one-half percent parish-wide sales and use tax with the net proceeds, after deduction costs of collection and administration, dedicated and used for salaries and benefits of deputies, and acquiring, maintaining, and operating of Sheriff's vehicles and equipment. The tax, approved by voters on July 17, 2004, was effective from and after October 1, 2004.

The Sheriff collects a one-quarter percent parish-wide sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated and used for the purpose of providing additional funding for the Sheriff's Office. The tax, approved by voters on January 18, 2003, was effective August 1, 2003 and is for a period of 10 years ending July 31, 2014. The tax was approved and renewed effective August 1, 2014 and for a period of 10 years ending July 31, 2024. April 30, 2022 voters approved and renewed the tax for an additional 10 years ending July 1, 2033.

The amount of sales tax collected for year ended June 30, 2023, was \$5,067,327.

**3. CASH, INTEREST-BEARING DEPOSITS AND INVESTMENTS**

**Cash:**

At June 30, 2023, the Sheriff has cash in interest bearing and non-interest bearing accounts (book balance) totaling \$6,802,029 as follows:

	Government Funds	Fidiciary Funds	Total
Demand deposits	\$ 260	\$ -	\$ 260
Interest-bearing demand deposits	3,123,767	565,394	3,689,161
Money market accounts	3,112,108	-	3,112,108
Petty Cash	500	-	500
Categorized bank deposits	\$ 6,236,635	\$ 565,394	\$ 6,802,029

The Sheriff has restricted assets relating to inmate trust accounts, probation accounts and narcotics funds. The inmate trust accounts consist of money that is deposited by inmates for purchase of commissary items. The Sheriff is not entitled to spend these funds. Probation and narcotics money consists of funds collected by the Sheriff related to criminal cases. The Sheriff is not entitled to spend these funds until the related case has been settled. Once cases are settled the funds will either be returned to the defendant or distributed among local Parish entities.

The cash and investments of the Sabine Parish Sheriff are subject to the following risk:

*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 always equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

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**3. CASH, INTEREST-BEARING DEPOSITS, AND INVESTMENTS (continued)**

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

At year end, the Sheriff had collected demand deposit bank balances of \$2,673,983 which were covered by \$500,000 of federal depository insurance and pledged securities with a market value of \$4,533,804 held by the custodial banks in the name of the Sheriff. Money market accounts of \$3,112,108 are held with an investment management company and covered by Security Investor Protection Corporation (SPIC) insurance of \$500,000. Holdings with investment companies are not required to be collateralized.

**Investments:**

At June 30, 2023, the Sheriff held its assets in U.S. agency securities, equity trusts and certificates of deposit. The below schedule identified the investments by type:

Type	Carrying Value	Remaining Maturity				Credit Rating
		>1	1-5	6-10	11-30	
<b>Investments at fair value</b>						
U.S. agency securities	\$ 4,252,199	\$ -	\$ 709,987	\$ 1,319,744	\$ 2,222,468	AAA
<b>Investments at net asset value</b>						
Equity trusts	58,219	58,219	-	-	-	
Total investments measured at fair value	\$ 4,310,418	\$ 58,219	\$ 709,987	\$ 1,319,744	\$ 2,222,468	

Accrued interest of \$20,484 is included in the Governmental Activities receivables balance per the Statement of Net Position.

Investment valuation. The Sheriff categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Sheriff has the following recurring fair value measurements as of June 30, 2023:

Level 2 inputs—U.S. agency securities are valued using a market based approach comprised of a combination of directly observable quoted prices and a matrix pricing technique that relies on the securities' relationship to other benchmark quoted securities. The net decrease in fair value of investments was \$275,485. This decrease in fair value of investments was offset by \$197,505 in interest earnings resulting in the recognized investment losses of \$77,980.

*Interest Rate Risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. The Sheriff does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Sheriff diversifies its investments by security type and institution.

*Credit Risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The Sabine Parish Sheriff's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Sabine Sheriff 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 Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

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**3. CASH, INTEREST-BEARING DEPOSITS, AND INVESTMENTS (continued)**

*Concentration of Credit Risk.* The Sheriff's investment portfolio had concentration of credit risk on June 30, 2023 due to the holding of securities issued by the following U.S. Agencies that are both permitted by statute and Sheriff's investment policy. The Sheriff's investment portfolio consisted of 47.59% of securities issued by the Federal Home Loan Bank, 22.43% of securities issued by the Federal Farm Credit Bank, 21.32% of securities issued by the Government National Mortgage Association (GNMA), and 7.30% of securities issued by the Federal National Mortgage Association (FNMA). The Sheriff's investment policy does not limit the amount it may invest in any one issuer.

*Custodial credit risk:* For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Sheriff does not have an investment policy for custodial credit risk; however, state law described in a preceding paragraph is designed to limit this risk. The Sheriff has custodial credit risk exposure for the investment balance because the related securities are uninsured, unregistered, and held by the government's brokerage firm, which is also the counterparty for these particular securities. Investments are held with an investment management company which is insured by SIPC for up to \$500,000.

The \$58,219 in equity trusts is invested in GNMA re-investment trust securities, valued using net asset value (NAV). This security is a pooled investment vehicle that seeks monthly distributions of interest through long-term investments in a portfolio of Ginnie Maes. Interest in these securities may be liquidated on a daily basis at the daily redemption rate which is NAV.

**4. RECEIVABLES**

The following is a summary of receivables at June 30, 2023:

	General Fund
Intergovernmental revenues:	
Federal overtime	17,847
Parish revenue	3,761
Dispatch salary reimbursements	15,605
Sales tax	432,714
Ad valorem tax	17,219
Fees, charges, and commissions for services:	
Witness fees	406
Court fines and fees	20,128
Feeding and keeping parish prisoners	62,111
Feeding and keeping state prisoners	66,874
Commissary	7,560
City Telcoin	7,948
Other	14,496
	666,669
General	
Accrued interest	20,484
Deposits on utilities	1,075
Totals	\$ 688,228

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**5. CAPITAL ASSETS AND RIGHT-OF-USE ASSETS**

A summary of changes in office furnishings, equipment, right-of-use assets and vehicles follows:

<u>Governmental Activities</u>	Balance 7/1/2022	Additions	Reclassification/ Deletions	Balance 6/30/2023
Capital assets not being depreciated:				
Land	\$ 111,165	\$ -	\$ -	\$ 111,165
Construction in Progress	-	74,285	-	74,285
Total assets not being depreciated	<u>111,165</u>	<u>74,285</u>	<u>-</u>	<u>185,450</u>
Depreciable assets:				
Buildings & improvements	3,155,564	49,742	-	3,205,306
Furniture, fixtures, & equipment	924,880	51,580	-	976,460
Vehicles	2,752,734	187,643	-	2,940,377
Right-of-use assets	42,686	-	(20,538)	22,148
Total depreciable assets	<u>6,875,864</u>	<u>288,965</u>	<u>(20,538)</u>	<u>7,144,291</u>
Total Assets	<u>6,987,029</u>	<u>363,250</u>	<u>(20,538)</u>	<u>7,329,741</u>
Less accumulated depreciation and amortization	4,313,476	457,406	(20,538)	4,750,344
Capital assets, net	<u>\$ 2,673,553</u>	<u>\$ (94,156)</u>	<u>\$ -</u>	<u>\$ 2,579,397</u>

Depreciation and amortization expense in the amount of \$457,406 was charged to public safety.

The Sheriff has the following right-of-use asset leases:

A lease dated December 13, 2017, between Tower Communications, Inc, as Lessor, and the Sabine Parish Sheriff's Office, as Lessee, for space on a communications tower with additional grants of related use. The lease is for a term of five years commencing January 1, 2018, for a monthly amount of \$377.

A copier lease effective June 1, 2019, between Xerox Financial Services, LLC, as Lessor, and The Sabine Parish Sheriff's Office, as Lessee, for a term of five years with a monthly payment of \$389.

The changes in lease liabilities for June 30, 2023, are as follows:

Beginning lease liabilities	\$ 10,992
Additions	-
Deductions	(6,759)
Ending lease liabilities	<u>\$ 4,233</u>

The future minimum lease payments and interest required under these leases are as follows:

Year ending	Principal	Interest	Total
June 30, 2024	\$ 4,233	\$ 46	4,279
Totals	<u>\$ 4,233</u>	<u>\$ 46</u>	<u>\$ 4,279</u>

**6. COMPENSATED ABSENCES**

Compensated absences represent accumulated and vested employee leave benefits computed in accordance with accounting principles generally accepted in the United States of America. The liability for compensated absences is computed only at the end of the fiscal year. As of June 30, 2023, the Sheriff's compensated absences payable in accordance with GASB Statement No. 16 amounted to 9,927 hours with a resulting liability as following:

Compensated absences at July 1, 2022	\$ 149,222
Additions	44,911
Deductions	-
Compensated absences at June 30, 2023	<u>\$ 194,133</u>

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**7. DEFERRED COMPENSATION**

Certain employees of Sabine Parish Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, P. O. Box 94397, Baton Rouge, Louisiana 70804-9397.

**8. PENSION PLAN**

*Plan Description.* Substantially all employees of the Sabine Parish Sheriff's office are members of the Louisiana Sheriffs' Pension and Relief Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriffs' offices throughout the state, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Sheriffs' Pension and Relief Fund, State of Louisiana, is the administrator of the Fund and is governed by a separate board of trustees.

*Funding Policy.* Contribution requirements for all employers are actuarially determined each year in accordance with state statute. For the year ended June 30, 2023, the actual employer contribution rate was 11.50% with no additional percentage allocated from the Funding Deposit Account. Employee contributions are based on the employee's annual covered salary and are established by the board of trustees. For the year ended June 30, 2023, the employee contribution rate was 10.25%.

The Sabine Parish Sheriff's contributions to the System which also include the employee's portion are as follows:

	2023	2022	2021	2020	2019
Employee portion	\$ 468,059	\$ 462,071	\$ 396,368	\$ 355,585	\$ 338,704
Employer contributions	524,778	552,231	473,711	424,968	405,419
Total pension contributions	\$ 992,837	\$ 1,014,302	\$ 870,079	\$ 780,553	\$ 744,123

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. In government-wide statements \$280,987 in non-employer contributions were recognized for the year ended June 30, 2023.

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

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

For members whose first employment making them eligible for membership in the fund began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted. The earnings to be considered for each 12 month period within the 36 month period shall not exceed 125% of the preceding 12 month period.

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**8. PENSION PLAN (continued)**

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

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

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

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

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

*Deferred Retirement Option Plan (DROP)/Back Deferred Retirement Option Plan (Back-DROP).* In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may make a one-time irrevocable election to receive a "Back-DROP" benefit. A member elects Back-DROP at the time of separation from employment (retirement). The Back-DROP benefit is based on 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 time accrued between when a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service time accrued between when a member becomes eligible for retirement and his actual date of retirement. A member's Back-DROP benefit is the maximum monthly retirement benefit multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the Fund during the Back-DROP period. The member's DROP and Back-DROP balances left on deposit are managed by a third party, fixed income investment manager. Participants have the option to opt out of this program and take a lump sum distribution, if eligible, annuitize all or a portion of the Back-DROP balance, or to rollover the assets to another qualified plan.

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**8. PENSION PLAN (continued)**

*Permanent Benefit Increases/Cost of Living Adjustments.* As fully described in Title 11 of the Louisiana Revised Statutes, the Fund allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature. Cost-of-living provisions for the Fund allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost-of-living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost-of-living adjustments is dependent on the funded ratio.

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

At June 30, 2023, the Sheriff reported a liability of \$4,939,351 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the Sheriff's proportion was 0.607706%, which was an increase of 0.07743% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Sheriff recognized total pension expense of \$580,678.

At June 30, 2023, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	227,216	\$ 245,417
Changes of assumptions	737,787	-
Net difference between projected and actual earnings on pension plan investments	2,138,428	-
Changes in employer's proportion of beginning NPL	194,794	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	160,853	23,757
Employer contributions subsequent to the measurement date	524,778	-
Total	\$ 3,983,856	\$ 269,174

Sheriff contributions subsequent to the measurement date in the amount of \$524,778 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	
2023	\$ 835,863
2024	728,535
2025	421,555
2026	1,203,951
2027	-
Total	\$ 3,189,904

Actuarial Methods Assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date:	June 30, 2022
Actuarial cost method	Entry age normal method

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**8. PENSION PLAN (continued)**

Actuarial assumptions:

Expected remaining service lives	2021-2022 – 5 years 2018-2020 – 6 years 2016-2017 – 7 years
Investment rate of return	6.85% net of investment expense, including inflation
Discount rate	6.85%
Mortality rate	Pub-2010 public retirement plans mortality table for safety below-median employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the MP2019 scale. Pub-2010 public retirement plans mortality table for safety below-median healthy retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale. Pub-2010 public retirement plans mortality table for safety disabled retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund’s liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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

Estimates of arithmetic real rates of return for each major asset class based on the Fund’s target asset allocation as of June 30, 2022 are as follows:

Asset Class	Long-Term Expected Rate of Return		
	Target asset allocation	Real return arithmetic basis	Long-term expected portfolio real rate of return
Equity securities	62%	6.61%	4.10%
Fixed Income	25%	4.92%	1.23%
Alternative Investments	13%	6.54%	0.85%
Totals	100%		6.18%
Inflation			2.25%
Expected Arithmetic Nominal Return			8.43%

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**8. PENSION PLAN (continued)**

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Sheriff calculated using the discount rate of 6.90%, as well as what the Sheriff's 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:

	Changes in Discount Rate		
		Current	
	1% Decrease 5.85%	Discount Rate 6.85%	1% Increase 7.85%
Net pension liability (asset)	8,746,498	4,939,351	1,764,856

Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2023 were recognized in the current reporting period as pension expense except as follows:

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

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

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

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

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

Retirement Fund Audit Report

The Sheriff's Pension and Relief Fund has issued a stand-alone financial report for the year ended June 30, 2022. Access to the report can be found on the Louisiana Legislative Auditor's website [www.la.la.gov](http://www.la.la.gov).

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**9. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

General Information about the OPEB Plan

*Plan description* – The Sabine Parish Sheriff’s Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Sabine Parish Sheriff’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

*Benefits Provided* – Medical, dental, and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1st, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits. There are custom eligibility requirements which may further restrict eligibility as follows: (1) At least sixteen years of service and is at least sixty-five years of age. (2) At least twenty years of service and is at least fifty-five years of age. (3) At least thirty years of continuous service regardless of age.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

*Employees covered by benefit terms* – As of the measurement date June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	21
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	100
Total	121

Total OPEB Liability

The Sheriff’s total OPEB liability of \$7,119,680 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.00%
Prior discount rate	3.54%
Discount rate	3.65% annually
Healthcare cost trend rates	5.5% annually until year 2032, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers’ 20 Year General Obligation municipal bond index on the applicable measurement dates.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2023.

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

**9. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)**

Balance at June 30, 2022	\$ 6,558,055
Changes for the year	
Service cost	287,102
Interest cost at 2.16%	237,237
Differences between expected and actual experience	344,287
Changes in assumptions	(108,833)
Benefit payments and net transfers	(198,168)
Net changes	<u>561,625</u>
Balance at June 30, 2023	<u>\$ 7,119,680</u>

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	Changes in Discount Rate		
	1% Decrease	Current	1% Increase
	2.65%	3.65%	4.65%
Total OPEB liability \$	<u>8,347,674</u>	<u>\$ 7,119,680</u>	<u>\$ 6,140,469</u>

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

	Changes in healthcare cost trend rates		
	1% Decrease	Current Trend	1% Increase
	4.50%	5.50%	6.50%
Total OPEB liability \$	<u>6,308,254</u>	<u>\$ 7,119,680</u>	<u>\$ 8,151,793</u>

For the year ended June 30, 2023, the Sheriff recognized total OPEB expense of \$260,912. At June 30, 2023, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 801,642	\$ (681,763)
Changes in assumptions	473,358	(724,018)
Total	<u>\$ 1,275,000</u>	<u>\$ (1,405,781)</u>

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

Year ending June 30	
2024	\$ (65,258)
2025	\$ (65,258)
2026	\$ (65,258)
2027	\$ (65,258)
2028	\$ (65,258)
Thereafter	\$ 195,507

**SABINE PARISH SHERIFF**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2023

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**10. COMMITMENTS AND CONTINGENCIES**

*Lawsuits.* At June 30, 2023, the Sheriff was a defendant in lawsuits principally arising from the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Sheriff and legal counsel, resolution of these matters would not create a liability in excess of insurance coverage that would have a material adverse effect on the financial condition of the Sheriff.

*Grants.* The Sheriff 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 disallowance, if any, would be insignificant.

*Cooperative Endeavor Agreements:*

Effective July 1, 2022, the Sabine Parish Sheriff entered into a cooperative endeavor agreement with the Sabine Parish School Board, to provide POST-Certified law enforcement officers as School Resource Officers (SRO's) to enhance security of students, teachers, and employees of schools operated by the School Board. The School Board is responsible for covering up to \$200,000 of the costs of the SRO's for the year ending June 30, 2023.

Effective for the period January 15, 2023, through January 14, 2024, the Sheriff entered into a cooperative endeavor agreement with other law enforcement agencies for a Tri-Parish Drug Task Force. The total cost to the Sheriff for the program will be \$20,000.

Effective April 1, 2022, the Sheriff entered into a cooperative endeavor agreement with the Sabine Parish Communications District (E-911), wherein dispatchers and part-time employees of E-911 will become employees of the Sheriff with the Sheriff being paid \$8,300 per month to covers the costs of employing said employees.

Effective April 19, 2023 the Sheriff entered into a Cooperative Endeavor Agreement with the Sabine Parish Police Jury for providing security services to access the Courthouse. The SPPJ agrees to cover the salaries and benefits of the deputies assigned to the detail.

**12. RELATED PARTY TRANSACTIONS**

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended June 30, 2023.

**13. ON-BEHALF PAYMENTS**

*Salaries:*

The Sheriff recognizes as general fund revenues and expenses, supplemental pay paid by the State of Louisiana to the Sheriff's employees. For the year ended June 30, 2023, the state contributed \$426,311.

*Operating expenses:*

The Sheriff's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse, as required by state statute, are paid by the Sabine Parish Police Jury and are not included in the accompanying financial statements.

**14. SUBSEQUENT EVENTS**

Management has performed an evaluation of the Sheriff's activities through December 19, 2023, and has concluded that there are no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued.

**REQUIRED SUPPLEMENTAL INFORMATION (PART II)**

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND**  
For the year ended June 30, 2023

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services	\$ 2,080,750	\$ 2,385,350	\$ 2,189,483	\$ (195,867)
Operating grants and contributions	46,500	49,300	486,292	436,992
Property taxes	4,000,000	3,714,000	3,749,168	35,168
Sales taxes	4,000,000	4,642,000	5,067,327	425,327
State revenue sharing	66,600	66,700	66,707	7
Miscellaneous income	91,650	219,100	21,568	(197,532)
Investment earnings (losses)	70,000	182,500	(77,980)	(260,480)
<b>TOTAL REVENUES</b>	<u>10,355,500</u>	<u>11,258,950</u>	<u>11,502,565</u>	<u>243,615</u>
<b>EXPENDITURES</b>				
Public Safety:				
Personal services & related benefits	7,031,200	7,126,200	7,189,378	(63,178)
Operating expenses	1,503,065	1,519,360	1,538,832	(19,472)
Material & supplies	1,400,000	1,600,000	1,646,488	(46,488)
Travel & other charges	74,000	119,000	110,753	8,247
Capital outlays	345,000	354,300	363,250	(8,950)
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>10,353,265</u>	<u>10,718,860</u>	<u>10,848,701</u>	<u>(129,841)</u>
<b>EXCESS(Deficiency) of REVENUES OVER EXPENDITURES</b>	2,235	540,090	653,864	373,456
<b>FUND BALANCE</b>				
Beginning of the year	10,305,038	10,305,038	10,305,038	-
End of the year	<u>\$ 10,307,273</u>	<u>\$ 10,845,128</u>	<u>\$ 10,958,902</u>	<u>\$ 113,774</u>

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**

For the year ended June 30, 2023

	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>						
Service cost	\$ 160,142	\$ 162,389	\$ 178,229	\$ 192,647	\$ 198,427	\$ 287,102
Interest	210,503	223,695	244,029	168,101	177,187	237,237
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	202,545	400,537	(268,066)	316,671	(895,228)	344,287
Changes of assumptions		104,291	624,568	76,582	(838,385)	(108,833)
Benefit payments	(129,810)	(105,997)	(151,836)	(160,187)	(187,837)	(198,168)
<b>Net change in total OPEB liability</b>	443,380	784,915	626,924	593,814	(1,545,836)	561,625
<b>Total OPEB liability-beginning</b>	5,654,858	6,098,238	6,883,153	7,510,077	8,103,891	6,558,055
<b>Total OPEB liability-ending</b>	<u>\$ 6,098,238</u>	<u>\$ 6,883,153</u>	<u>\$ 7,510,077</u>	<u>\$ 8,103,891</u>	<u>\$ 6,558,055</u>	<u>\$ 7,119,680</u>
Covered-employee payroll	\$ 3,176,730	\$ 3,272,032	\$ 2,848,796	\$ 2,934,260	\$ 4,191,588	\$ 4,317,336
Net OPEB liability as a % of covered-employee payroll	191.97%	210.36%	263.62%	276.18%	156.46%	164.91%
Notes to Schedule						
Benefit Change:	None	None	None	None	None	None
Changes of Assumptions:						
Discount rate	3.62%	3.50%	2.21%	2.16%	3.54%	3.65%
Mortality	RP-2000	RP-2000	RP-2014	RP-2014	RP-2014	RP-2014
Trend	5.50%	5.50%	Variable	Variable	Variable	Variable

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

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

For the year ended June 30, 2023

Louisiana: Sheriffs' Pension and Relief Fund

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered-employee payroll	Agency's proportionate share of the net pension liability (asset) as a % of its covered-employee payroll	Plan fiduciary net position as a % of the total pension liability
2015	0.47972%	\$ 1,899,694	\$ 3,173,301	60%	87.34%
2016	0.47161%	\$ 2,102,210	\$ 3,126,852	67%	86.61%
2017	0.48531%	\$ 3,080,199	\$ 3,314,415	93%	82.10%
2018	0.47588%	\$ 2,060,686	\$ 3,288,052	63%	88.49%
2019	0.47974%	\$ 1,839,638	\$ 3,301,934	56%	90.41%
2020	0.47273%	\$ 2,236,135	\$ 3,304,418	68%	88.91%
2021	0.46992%	\$ 3,252,367	\$ 3,469,119	94%	84.73%
2022	0.53027%	\$ (262,777)	\$ 3,867,019	-7%	101.04%
2023	0.60771%	\$ 4,939,351	\$ 4,508,011	110%	83.90%

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

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

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

**SABINE PARISH SHERIFF**  
Many, Louisiana

**SCHEDULE OF PENSION CONTRIBUTIONS**  
For the year ended June 30, 2023

Louisiana: Sheriffs' Pension and Relief Fund

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered-employee payroll	Contributions as a % of covered- employee payroll
2015	\$ 445,576	\$ 445,576	\$ -	\$ 3,126,852	14.25%
2016	\$ 455,733	\$ 455,733	\$ -	\$ 3,314,415	13.75%
2017	\$ 435,928	\$ 435,928	\$ -	\$ 3,288,052	13.26%
2018	\$ 420,996	\$ 420,996	\$ -	\$ 3,301,934	12.75%
2019	\$ 405,419	\$ 405,419	\$ -	\$ 3,304,418	12.27%
2020	\$ 424,968	\$ 424,968	\$ -	\$ 3,469,119	12.25%
2021	\$ 473,711	\$ 473,711	\$ -	\$ 3,867,019	12.25%
2022	\$ 552,231	\$ 552,231	\$ -	\$ 4,508,011	12.25%
2023	\$ 524,778	\$ 524,778	\$ -	\$ 4,566,534	11.49%

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

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

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

**SABINE PARISH SHERIFF  
Many, Louisiana**

**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
As of and for the Year Ended June 30, 2023**

**Budgetary Information**

The Sheriff’s budget is prepared in accordance with accounting principles generally accepted in the United States of America.

The Louisiana Local Government Budget Act provides that “the total 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.

The Sheriff exercises budgetary control at the functional level. Within functional levels, the accountant 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 budget was not amended during the year. The budget comparison schedules present the original adopted budget and the final budget.

Actual revenues exceeded final budgeted revenues by \$243,615 (2.16%). Actual expenditures exceeded final budgeted expenditures by \$129,841 (1.21%). The Sheriff is in compliance with the Louisiana Local Government Budget Act.

The Sheriff’s budget process is as follows:

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least 10 days prior to the public hearing. Public hearings are held at the Sheriff’s office during the month of June for comments from taxpayers. The budgets are then legally adopted by the Sheriff and amended during the year, as necessary. Budgets are established and controlled by the Sheriff at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. The Sheriff must approve all changes or amendments to the budget.

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Sheriff. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and the final budget which includes all amendments.

**Pension Information**

The schedule of the Sheriff’s proportionate share of the net pension liability and the schedule of the Sheriff’s pension contributions are intended to show information for 10 years. Additional years will be displayed as they become available. There were no changes of benefit terms for the year ended June 30, 2023.

Changes of assumptions:

Year ended June 30,	Discount rate	Investment rate of return	Inflation rate	Expected remaining lives	Projected salary increase
2015	6.00%	7.70%	3.00%	6	6.00%
2016	7.60%	7.70%	2.88%	7	5.50%
2017	7.50%	7.60%	2.88%	7	5.50%
2018	7.40%	7.50%	2.78%	6	5.50%
2019	7.25%	7.25%	2.60%	6	5.50%
2020	7.10%	7.10%	2.50%	6	5.50%
2021	7.00%	7.00%	2.50%	6	5.00%
2022	6.90%	6.90%	2.50%	5	5.00%
2023	6.85%	6.85%	2.50%	5	5.00%

**OTHER SUPPLEMENTAL INFORMATION**

**SABINE PARISH SHERIFF  
Many, Louisiana**

**COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
Custodial Funds  
June 30, 2023**

	<u>Sheriff's Fund</u>	<u>Tax Collector</u>	<u>Custodial Fund Total</u>
<b>ASSETS</b>			
Cash	\$ 249,125	\$ 316,269	\$ 565,394
Total Assets	<u>\$ 249,125</u>	<u>\$ 316,269</u>	<u>\$ 565,394</u>
<b>NET POSITION</b>			
Fiduciary net position - held for others	<u>\$ 249,125</u>	<u>\$ 316,269</u>	<u>\$ 565,394</u>

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

**SABINE PARISH SHERIFF**  
**Many, Louisiana**

**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION**  
**Custodial Funds**

For the year ended June 30, 2023

<b>Additions:</b>	<b>Sheriff's Fund</b>	<b>Tax Collector</b>	<b>Custodial Fund Total</b>
Taxes, fees, etc., received:			
Sheriff's sales, seizures, and garnishments	\$ 519,370	\$ -	\$ 519,370
Fines, forfeitures, and costs	307,772	-	307,772
Taxes, fees, and state revenue sharing		22,024,737	22,024,737
Interest	954	19,679	20,633
Other additions	1,012	11,861	12,873
Total additions	<u>829,108</u>	<u>22,056,277</u>	<u>22,885,385</u>
<b>Reductions:</b>			
Louisiana Dept of Forestry	350	33,993	34,343
Louisiana Tax Commission	-	3,369	3,369
Northwest Crime Lab	37,731	-	37,731
Ware Juvenile Detention Center	5,982	-	5,982
Louisiana Rehabilitation	1,845	-	1,845
Louisiana Commission on Law Enforcement	4,884	-	4,884
Sabine Parish:			
Sheriff's General Fund	112,299	3,821,911	3,934,210
Clerk of Court	63,485	-	63,485
Police Jury	-	4,629,752	4,629,752
School Board	-	7,704,850	7,704,850
Assessor	-	1,587,300	1,587,300
Library	-	768	768
Crime Stoppers	1,554	-	1,554
District Attorney	56,190	-	56,190
Judicial Expense Fund	58,699	-	58,699
Criminal Court Fund	93,917	-	93,917
Indigent Defender Fund	65,988	-	65,988
Fire Protection Districts	-	2,881,239	2,881,239
Litigants, attorneys	174,714	-	174,714
State Pension Funds	-	606,947	606,947
Other Settlements	60,154	448,905	509,059
Refunds	28,728	15,651	44,379
Other reductions	30,931	36,581	67,512
Total reductions	<u>797,451</u>	<u>21,771,266</u>	<u>22,568,717</u>
<b>Net increase (decrease) in fiduciary net position</b>	<u>31,657</u>	<u>285,011</u>	<u>316,668</u>
<b>Net position, beginning</b>	<u>217,468</u>	<u>31,258</u>	<u>248,726</u>
<b>Net position, ending</b>	<u>\$ 249,125</u>	<u>\$ 316,269</u>	<u>\$ 565,394</u>

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

**SABINE PARISH SHERIFF  
Many, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the year ended June 30, 2023

Aaron Mitchell, Sheriff

Purpose:

Salary	\$	161,568
Benefits - Medicare		2,515
Benefits - Insurance		2,772
Benefits - Retirement		20,438
Expense allowance		16,157

See the accompanying independent auditor's report.

ANNUAL REPORTING REQUIREMENT OF SHERIFF AS EX OFFICIO TAX COLLECTOR TO LEGISLATIVE AUDITOR

State of Louisiana, Parish of Sabine  
Aaron Mitchell, Sheriff of Sabine Parish

BEFORE ME, the undersigned authority, personally came and appeared, Aaron Mitchell, the Sheriff of Sabine Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$316,269 is the amount of cash on hand in the tax collector accounts on June 30, 2023.

He further deposed and said:

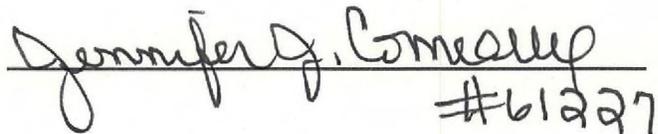
All itemized statements of the amounts of taxes collected for the tax year 2022, by taxing authority, are true and correct.

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



Sheriff of Sabine Parish

SWORN to and subscribed before me, Notary, this 19th day of December, 2023, in my office in Many, LA.



Supplemental Information.  
See the accompanying independent auditor's report

**SABINE PARISH SHERIFF  
MANY, LOUISIANA**

**Justice System Funding Schedule - Receiving Entity  
As Required by Act 87 of the 2020 Regular Legislative Session**

For the year ended June 30, 2023

Cash Basis Presentation	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 06/30/2023
<b>Receipts From:</b>		
<b>Civil fees:</b>		
11th District Clerk of Court	\$ 12,935	\$ 22,205
CITY OF NATCHITOCHEs	788	601
42nd District Clerk of Court	422	699
1st District Clerk of Court	558	400
10th District Clerk	387	561
Private Entities	190	737
14th District Clerk of Court	317	287
30th District Clerk of Court	342	260
19th District Clerk of Court	207	144
9th District Clerk of Court	123	100
CITY OF HOUMA	43	146
36th District Clerk of Court	-	185
15TH JUDICIAL DISTRICT	87	97
39th District Clerk of Court	131	35
OTHER ENTITIES LESS THAN \$150 ANNUALLY	796	1,242
<b>Total Receipts</b>	<b>\$ 17,326</b>	<b>\$ 27,699</b>

Supplemental information  
See the accompanying independent auditor's report.

**SABINE PARISH SHERIFF  
MANY, LA**

**Justice System Funding Schedule - Collecting/Disbursing Entity  
As Required by Act 87 of the 2020 Regular Legislative Session  
For the year ended June 30, 2023**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Beginning Balance of Amounts Collected</b>	\$ 217,468	\$ 245,108
<b>Add: Collections</b>		
Civil Fees	151,489	221,749
Bond Fees	51,442	119,374
Asset Forfeiture/Sale	80,655	45,092
Pre-trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	69,604	86,627
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	3,766
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	429	525
Other	-	-
<b>Subtotal Collections</b>	<b>353,619</b>	<b>477,133</b>
<b>Less: Disbursements To Governments &amp; Nonprofits:</b>		
Sabine Parish Clerk of Court - Bond Fees	550	496
Sabine Parish District Attorney - Bond Fees	10,528	14,158
11th Judicial District Indigent Defender Fund - Bond Fees	9,153	12,918
11th Judicial District Expense Fund - Bond Fees	8,603	12,422
North LA. Crime Lab - Bond Fees	550	496
Northwest Louisiana Crime Lab - Criminal Court Costs/Fees	8,715	12,329
Sabine Crime Stoppers - Criminal Court Costs/Fees	218	218
Sabine Parish Clerk of Court - Criminal Court Costs/Fees	6,250	8,072
Sabine Parish District Attorney - Criminal Court Costs/Fees	6,134	7,933
11th Judicial District CCF - Criminal Court Costs/Fees	23,020	35,823
11th Judicial District IDF - Criminal Court Costs/Fees	8,663	10,109
11th Judicial District JEF - Criminal Court Costs/Fees	1,735	1,589
Louisiana Rehabilitation Services - Criminal Court Costs/Fees	285	309
Sabine Parish Police Jury - Criminal Court Costs/Fees	4,883	4,960
Louisiana State Treasurer - Criminal Court Costs/Fees	75	25
LA Commission on Law Enforcement - Criminal Court Costs/Fees	1,453	2,267
Louisiana State Police - Criminal Court Costs/Fees	75	475
Ware Juvenile - Criminal Court Costs/Fees	866	924
Louisiana Supreme Court - Criminal Court Costs/Fees	429	411
Wildlife & Fisheries - Criminal Court Costs/Fees	75	25
11th Judicial District Criminal Court Fund - Civil Fees	18,409	16,215
Sabine Parish Clerk of Court - Civil Fees	4,630	5,065
Louisiana State Treasurer - Civil Fees	125	125
Sabine Parish District Attorney - Civil Fees	8,317	9,121

	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Less: Disbursements to Governments &amp; Nonprofits (continued):</b>		
11th Judicial District Indigent Defender Fund - Civil Fees	11,870	13,275
Northwest Louisiana Crime Lab - Civil Fees	7,551	8,090
Sabine Parish Police Jury - Civil Fees	8,118	8,995
11th Judicial District Judicial Expense Fund - Civil Fees	3,410	3,977
Ware Juvenile - Civil Fees	1,980	2,213
Louisiana Commission on Law Enforcement - Civil Fees	551	590
Sabine Crime Stoppers - Civil Fees	528	590
Louisiana Rehabilitation Services - Civil Fees	590	660
Louisiana Supreme Court - Civil Fees	985	1,083
Wildlife & Fisheries - Civil Fees	125	125
Sabine Parish Clerk of Court - Civil Fees	9,101	13,893
Sabine Parish Clerk of Court - Asset Forfeiture/Sale	6,835	8,593
<b>Less: Amounts Retained by Collecting Agency</b>		
Collection fee based on percentage of collection	8,603	12,422
Collection fee based on a fixed amount	-	-
Amounts "Self-Disbursed" to Collecting Agency:		
Civil Fees	10,462	14,390
Bond Fees	4,675	4,216
Asset Forfeiture/Sale	27,636	16,917
Criminal Court Costs/Fees	5,593	7,386
Probation/Parole/Supervision Fees	-	3,665
<b>Less: Disbursements to Individuals/3rd Party Collection/Processing</b>		
Civil Fee Refunds	65,155	109,560
Bond Fee Refunds	19,253	8,018
Other Disbursements to Individuals	9,217	77,974
<b>Subtotal Disbursements/Retainage</b>	<b>325,979</b>	<b>473,117</b>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>	<b>\$ 245,108</b>	<b>\$ 249,124</b>

Supplemental information.  
See the accompanying independent auditor's report.

## OTHER REPORTS



# Dees Gardner, Certified Public Accountants, LLC

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

Honorable Aaron Mitchell  
Sabine Parish Sheriff  
Many, Louisiana

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, the major fund, and the aggregate remaining fund information of Sabine Sheriff as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Sabine Parish Sheriff's basic financial statements and have issued our report thereon dated December 19, 2023.

### ***Internal Control over Financial Reporting***

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

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

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. We did identify one deficiency in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency, identified as 2023-01.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Sabine Parish Sheriff'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which would have been described in the accompanying schedule of findings and questioned costs.

### **Sabine Parish Sheriff's Response to Finding**

The Sabine Parish Sheriff'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*

Mansfield, Louisiana  
December 19, 2023

**Sabine Parish Sheriff**  
 Many, Louisiana  
 SCHEDULE OF AUDIT FINDINGS AND RESPONSES  
 For the Year ended June 30, 2023

**Part I. SUMMARY OF AUDITOR'S REPORTS**

**A. SUMMARY OF AUDIT RESULTS**

INDEPENDENT AUDITOR'S REPORT

We have audited the basic financial statements of the Sabine Parish Sheriff as of and for the year ended June 30, 2023, and have issued our report thereon dated December 19, 2023. 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. Our audit of the financial statements as of June 30, 2023, resulted in an unmodified opinion.

REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER THE FINANCIAL REPORTING:

Internal Control

Significant Deficiency	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Compliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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A management letter was not issued.

FEDERAL AWARDS: Not applicable

**B. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

**Internal Control**

**2023-01 Custodial Fund Reconciliation (repeat)**

Criteria – The Sheriff's Fund bank account is used as a depository for court fines, traffic tickets payments, commercial and cash bonds, and undistributed Sheriff's sales. Control procedures should be in place that reconcile the case or docket balances to the depository balance. Additionally, certain sums in interest bearing Sheriff Fund accounts are entitled to their allocation of interest earnings. A system should be in place to manage the allocation of interest earnings.

Finding – Previously, the above described depository cash balances were not regularly reconciled to the balances recorded in the subsidiary listing of cases, dockets, receipts, tickets or undistributed Sheriff's sales. Reconciliations are now performed regularly but there are material sums that cannot be reconciled with any case, docket, sheriff sale or other documentation. Additionally, interest earnings are not currently being allocated as required.

Cause – Previously, good controls and processes were not in place and reconciliations were not performed regularly.

Effect – This allowed for the deposited amounts that cannot be reconciled to any documentation. Additionally, this can lead to unauthorized transactions that cannot be detected timely.

Recommendation – Significant improvements have been made with controls and processes. We recommend that the Sheriff continue to improve these processes and continue researching unreconcilable amounts.

**Sabine Parish Sheriff**  
Many, Louisiana  
SCHEDULE OF AUDIT FINDINGS AND RESPONSES  
For the Year ended June 30, 2023

**2023-01 Custodial Fund Reconciliation (repeat) (continued)**

**Management's Response and Planned Corrective Action:**

*The Sheriff is still in the process of correcting this issue. The chief civil deputy has made progress and should have processes and controls for the Sheriff Fund accounts completed during the current fiscal year. Research will continue on unreconcilable amounts and a resolution will be pursued.*

**Compliance**

None

**Sabine Parish Sheriff**  
Many, Louisiana  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year ended June 30, 2023

**2019-001, 2020-01, 2021-01, and 2022-01. Custodial Fund Reconciliation**

Partially resolved, see Finding 2023-01.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS



# Dees Gardner, Certified Public Accountants, LLC

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## Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Honorable Aaron Mitchell,  
Sabine Parish Sheriff and the  
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Sabine Parish Sheriff (the Sheriff) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Sheriff's management is responsible for those C/C areas identified in the SAUPs.

The Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### 1) **Written Policies and Procedures**

---

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

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

*No exceptions were noted as a result of this procedure.*

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

*No exceptions were noted as a result of this procedure.*

iii. **Disbursements**, including processing, reviewing, and approving.

*No exceptions were noted as a result of this procedure.*

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

*No exceptions were noted as a result of this procedure.*

v. **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

*No exceptions were noted as a result of this procedure.*

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

*No exceptions were noted as a result of this procedure.*

- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
*No exceptions were noted as a result of this procedure.*
- viii. **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).  
*No exceptions were noted as a result of this procedure.*
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.  
*No exceptions were noted as a result of this procedure.*
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
*No exceptions were noted as a result of this procedure.*
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.  
*No exceptions were noted as a result of this procedure.*
- xii. **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.  
*No exceptions were noted as a result of this procedure.*

## **2) Board or Finance Committee**

---

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - Section not applicable to entity.*
  - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.  
*Section not applicable to entity.*
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.  
*Section not applicable to entity.*
  - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.  
*Section not applicable to entity.*

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

*Section not applicable to entity.*

### **3) Bank Reconciliations**

---

- A. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

*A listing of client bank accounts from management and management's representation that the listing is complete were obtained. The main operating account and 4 additional accounts were selected for review.*

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

*No exceptions were noted as a result of this procedure.*

- ii. Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

*No exceptions were noted as a result of this procedure.*

- iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*Items outstanding for more than 12 months in three accounts reviewed.*

### **4) Collections (excluding EFTs)**

---

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

*A listing of deposit sites for the fiscal period and management's representation that the listing is complete were obtained. The only deposit site of the entity was selected.*

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

*A listing of collection locations and management's representation that the listing is complete was obtained. A random collection location of the entity was selected.*

- i. Employees that are responsible for cash collections do not share cash drawers/registers.

*No exceptions were noted as a result of this procedure.*

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

*No exceptions were noted as a result of this procedure.*

- iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions were noted as a result of this procedure.*

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

*No exceptions were noted as a result of this procedure.*

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

*No exceptions were noted as a result of this procedure.*

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

*Ten random deposits were selected for testing.*

- i. Observe that receipts are sequentially pre-numbered.

*No exceptions were noted as a result of this procedure.*

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exceptions were noted as a result of this procedure.*

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

*No exceptions were noted as a result of this procedure.*

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*There was an exception noted for one deposit type that wasn't made daily. .*

- v. Trace the actual deposit per the bank statement to the general ledger.

*No exceptions were noted as a result of this procedure.*

**5) Non-Payroll Disbursements (exclude card and petty cash purchases, and travel reimbursements)**

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

*A listing of locations that process payments for the fiscal period and management's representation that the listing is complete were obtained. The only location of the entity was selected.*

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

*No exceptions were noted as a result of this procedure.*

- ii. At least two employees are involved in processing and approving payments to vendors.

*No exceptions were noted as a result of this procedure.*

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

*No exceptions were noted as a result of this procedure.*

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.  
*No exceptions were noted as a result of this procedure.*
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.  
*No exceptions were noted as a result of this procedure.*
- C. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- i. Observe that the disbursement matched the related original invoice/billing statement.  
*No exceptions were noted as a result of this procedure.*
  - ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.  
*One transaction reviewed did not have documentation of approval.*
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.  
*No exceptions were noted as a result of this procedure.*

**6) Credit Cards/Debit Cards/Fuel Cards/P-Cards**

---

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.  
*A listing of active cards for the fiscal period and management's representation that the listing is complete were obtained.*
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:  
*A random monthly statement for all 5 cards of the entity selected for review.*
- i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.  
*No exceptions were noted as a result of this procedure.*
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.  
*Finance charges were noted to have been paid during the year..*
- C. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies

precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*No exceptions were noted as a result of this procedure.*

## **7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

---

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

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

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

*No exceptions were noted as a result of this procedure.*

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

*No exceptions were noted as a result of this procedure.*

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

*No exceptions were noted as a result of this procedure.*

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

*No exceptions were noted as a result of this procedure.*

## **8) Contracts**

---

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

*A listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and management's representation that the listing is complete were obtained.*

- i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

*No applicable contracts were observed.*

- ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

*Not applicable to entity.*

- iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

*No exceptions were noted as a result of this procedure.*

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions were noted as a result of this procedure.*

## **9) Payroll and Personnel**

---

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

*A listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete were obtained. The five employees of the entity selected for review.*

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

*No exceptions were noted as a result of this procedure.*

- ii. Observe that supervisors approved the attendance and leave of the selected employees/officials.

*No exceptions were noted as a result of this procedure.*

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*No exceptions were noted as a result of this procedure.*

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

*No exceptions were noted as a result of this procedure.*

- C. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

*No exceptions were noted as a result of this procedure.*

- D. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*No exceptions were noted as a result of this procedure.*

## **10) Ethics**

---

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above obtain ethics documentation from management, and:

- i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

*No exceptions were noted as a result of this procedure.*

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

*No exceptions were noted as a result of this procedure.*

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.  
*No exceptions were noted as a result of this procedure.*

### **11) Debt Service**

---

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

*Section not applicable to entity.*

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

*Section not applicable to entity.*

### **12) Fraud Notice**

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

*No misappropriations reported by entity.*

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*No exceptions were noted as a result of this procedure.*

### **13) Information Technology Disaster Recovery/Business Continuity**

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- A. Perform the following procedures:

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

*We performed the procedures and discussed the results with management.*

#### 14) Prevention of Sexual Harassment

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- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

*No exceptions were noted as a result of this procedure.*

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

*No exceptions were noted as a result of this procedure.*

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

*84%. Excluding employees that terminated employment during the year 92%.*

- ii. Number of sexual harassment complaints received by the agency;

*0.*

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

*0.*

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

*0.*

- v. Amount of time it took to resolve each complaint.

*0.*

We were engaged by the Sheriff to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, LA  
December 19, 2023



## Sabine Parish Sheriff's Department

POST OFFICE BOX 1440  
MANY, LOUISIANA 71449



**AARON MITCHELL**  
SHERIFF & EX-OFFICIO TAX COLLECTOR

TELEPHONE (318) 256-9241  
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December 19, 2023

### **Management responses to statewide agreed upon procedure exceptions:**

#### **Section 3 – Bank Reconciliations**

Management will make sure items outstanding for more than 12 months will be researched and turned over to state unclaimed property as needed.

#### **Section 5 – Non-Payroll Disbursements**

Management will ensure all disbursements have documentation of approval.

#### **Sections 14 – Sexual harassment**

Management will ensure all employees complete sexual harassment training as required.

Sincerely,

A handwritten signature in blue ink that reads 'Aaron Mitchell'.

Sheriff Aaron Mitchell  
Sabine Parish