

Sabine Parish Sales & Use Tax Commission

A Component Unit of the Sabine Parish Police Jury
Many, Louisiana

Annual Financial Statements
with Independent Auditor's Report

As of and For the Year Ended
December 31, 2021
with Supplemental Information Schedules

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Sabine Parish Sales & Use Tax Commission
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As of and for the year ended December 31, 2021
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Independent Auditor's Report

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the Sabine Parish Sales & Use Tax Commission, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Sabine Parish Sales & Use Tax Commission'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 and each major fund of the Sabine Parish Sales & Use Tax Commission, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows 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 and the standards applicable to the financial audits contained in the 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 Sabine Parish Sales & Use Tax Commission, 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.

Responsibility 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 and for 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 Sabine Parish Sales & Use Tax Commission'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 Responsibilities 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 Sabine Parish Sales & Use Tax Commission'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 Sabine Parish Sales & Use Tax Commission'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 budgetary comparison information, the Schedule of Employer's Share of Net Pension Liability, and the Schedule of Employer Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sabine Parish Sales & Use Tax Commission's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Compensation Paid Commissioners are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Compensation Paid Commissioners 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Compensation Paid Commissioners are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2022 on our consideration of the Sabine Parish Sales & Use Tax Commission'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Sabine Parish Sales & Use Tax Commission's internal control over financial reporting and compliance.

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana
June 24, 2022

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Statement of Net Position
As of December 31, 2021

		Governmental Activities
Assets		
Cash and equivalents	\$	432,719
Total Assets		432,719
 Deferred Outflows of Resources		
Pension		52,033
Total Deferred Outflows of Resources		52,033
 Liabilities		
Accounts payable		539
Payroll liabilities		3,291
Long-term liabilities		194,239
Total Liabilities		198,069
 Deferred Inflows of Resources		
Pension		55,412
Total Deferred Inflows of Resources		55,412
 Net Position		
Unrestricted		231,271
Total Net Position	\$	231,271

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Statement of Activities
For the Year Ended December 31, 2021

	Major Funds			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<u>Functions/Programs</u>					
Primary government					
Governmental activities					
General government	\$ 475,414	\$ 409,202	\$ -	\$ -	(66,212)
Total governmental activities	<u>\$ 475,414</u>	<u>\$ 409,202</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(66,212)</u>
<u>General Revenues</u>					
Audit fee revenue					155,617
Other revenue					5,439
Operating transfers					(230,610)
Total general revenues and transfers					<u>(69,554)</u>
Change in net position					(135,766)
Net position - December 31, 2020					367,037
Net position - December 31, 2021					<u>\$ 231,271</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Balance Sheet - Governmental Funds
As of December 31, 2021

	Governmental Funds
Assets	
Cash and equivalents	\$ 432,719
Total Assets	<u>432,719</u>
Liabilities & Fund Balances	
Liabilities:	
Accounts payable	\$ 539
Payroll liabilities	<u>3,291</u>
Total Liabilities	<u>3,830</u>
Fund balances:	
General revenue fund	<u>428,889</u>
Total Fund Balances	<u>428,889</u>
Total Liabilities & Fund Balances	<u>\$ 432,719</u>

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
As of December 31, 2021

Total Fund Balances at December 31, 2021 - Governmental Funds (Statement C)	\$	428,889
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Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Net pension liability		(187,523)
Compensated absences payable		(6,716)
Deferred outflows of resources		52,033
Deferred inflows of resources		(55,412)
		(55,412)
Net Position at December 31, 2021	\$	231,271

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended December 31, 2021

		General Fund
Revenues		
Audit fee revenue	\$	155,617
Charges for services		409,202
Miscellaneous		408
Total revenues		565,227
Expenditures		
Current:		
Personnel services		209,940
Supplies		11,064
Utilities		6,642
Repairs and maintenance		12,693
Contractual services		167,485
Miscellaneous		329
Total expenditures		408,153
Excess (deficiency) of revenues over (under) expenditures		157,074
Other financing sources (uses)		
Operating transfers		(230,610)
Total other financing sources (uses)		(230,610)
Net changes in fund balances		(73,536)
Fund balances - December 31, 2020		502,425
Fund balances - December 31, 2021	\$	428,889

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Funds Balances to the Statement of Activities
For the Year Ended December 31, 2021

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	(73,536)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets capitalized over their estimated useful lives as depreciation expense.

Capital outlay		-
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance.

Changes in compensated absences		(6,352)
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Changes in net pension liability		(55,878)
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Change in net position of governmental activities (Statement B)	\$	<u>(135,766)</u>
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Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Statement of Fiduciary Net Position
As of December 31, 2021

	Agency Fund	
Assets		
Cash and equivalents	\$	634,980
Due from taxpayers		<u>81,230</u>
Total Assets	\$	<u><u>716,210</u></u>
Liabilities		
Unsettled deposits - due to others	\$	528,344
Cash overdraft		63,408
Protested taxes		<u>124,459</u>
Total Liabilities	\$	<u><u>716,211</u></u>

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2021

		Agency Fund
Additions		
Sales tax receipts	\$	27,756,430
Transfers		230,610
Protested taxes		8,887
Total additions		27,995,927
Deductions		
Sabine Parish School Board		10,494,818
Sabine Parish School Board District #2		1,442,225
Sabine Parish School Board District #34		1,180,386
Sabine Parish Police Jury		5,246,167
Town of Many		1,724,161
Town of Zwolle		660,781
Village of Converse		111,671
Village of Florien		232,059
Village of Pleasant Hill		139,616
Law District		3,934,629
Tourist Commission		211,101
District Attorney		659,732
Council on Aging		1,311,396
Tax Commission		627,839
Total deductions		27,976,580
Net changes in liabilities		19,347
Liabilities - December 31, 2020		696,863
Liabilities - December 31, 2021	\$	716,210

The accompanying notes are an integral part of these financial statements.

**NOTES TO THE
FINANCIAL STATEMENTS**

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

INTRODUCTION

The Sabine Parish Sales & Use Tax Commission, Many, Louisiana, was created on June 30, 1992 by the political subdivisions within Sabine Parish for the joint collection, enforcement, and administration of the sales and use taxes levied by these subdivisions. The Sabine Parish Sales & Use Tax Commission is managed by a Board of Commissioners composed of: two members appointed by the Sabine Parish Police Jury, two members appointed by the Sabine Parish School Board, one member appointed by the Town of Many, one member appointed by the Town of Zwolle, one member appointed by the Village of Florien, one member appointed by the Village of Pleasant Hill, and one member selected jointly by the police jury and the school board in accordance with Louisiana Revised Statute 47:337.14C(1).

The costs of establishing and operating the Sabine Parish Sales & Use Tax Commission are shared jointly by the taxing bodies on a pro-rata basis based on the ratio that the taxes collected for each taxing authority bears to the total taxes collected.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accounting and reporting policies of the Sabine Parish Sales & Use Tax Commission conform with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements constitutes GAAP for governmental entities. The accounting and reporting policies of the Sabine Parish Sales & Use Tax Commission conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the Louisiana Governmental Audit Guide.

Fiduciary Fund - This fund is used to account for assets held by the Sabine Parish Sales & Use Tax Commission in a trustee capacity or as an agent for the taxing authorities.

B. Reporting Entity

For financial reporting purposes, the Sabine Parish Sales & Use Tax Commission includes all funds that are within the oversight responsibility of the Sabine Parish Sales & Use Tax Commission.

C. Government-Wide Financial Statements

The Sabine Parish Sales & Use Tax Commission's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities for the Sabine Parish Sales & Use Tax Commission. Fiduciary activities of the Sabine Parish Sales & Use Tax Commission are not included in these statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Sabine Parish Sales & Use Tax Commission's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Sabine Parish Sales & Use Tax Commission's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the Sabine Parish Sales & Use Tax Commission's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the Sabine Parish Sales & Use Tax Commission's general revenues.

Direct Expenses - The Sabine Parish Sales & Use Tax Commission reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Indirect Expenses - The Sabine Parish Sales & Use Tax Commission reports all indirect expenses separately on the Statement of Activities (Statement B). Indirect expenses are those expenses that are not clearly identifiable with a function.

General revenues are taxes and other items that are not properly included among program revenues.

D. Fund Financial Statements

The accounts of the Sabine Parish Sales & Use Tax Commission are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the Sabine Parish Sales & Use Tax Commission are classified into two categories: governmental and fiduciary.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

Governmental Funds

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The Sabine Parish Sales & Use Tax Commission has presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as an expenditure. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

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.

"Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

The Sabine Parish Sales & Use Tax Commission reports the following major governmental funds:

General Fund - The operating fund of the Sabine Parish Sales & Use Tax Commission, the General Fund, accounts for all financial resources. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Sabine Parish Sales & Use Tax Commission policy.

Revenues

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are charges for services. Other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and the interest is available.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

Expenditures

The governmental funds use the following practices in recording expenditures:

Salaries are recorded as expenditures when earned by employees.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Compensated absences are recognized as liabilities when earned by the employee. Principal and interest on long-term debt are recognized when due.

Other Financing Sources (Uses)

The governmental funds use the following practices in recording other financing sources (uses):

Sales of fixed assets and long-term debt proceeds and payments are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the Sabine Parish Sales & Use Tax Commission in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary Funds are custodial in nature (assets equal liabilities). Since these assets are being held for the benefit of a third party and cannot be used to address activities of the Sabine Parish Sales & Use Tax Commission, these funds are not incorporated into the Government-Wide statements.

E. Equity Classifications

The Sabine Parish Sales & Use Tax Commission has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Net investment in capital assets: This classification 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 these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

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

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Assessor is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Sabine Parish Sales & Use Tax Commission did not have any nonspendable funds for the year ended December 31, 2021.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Sabine Parish Sales & Use Tax Commission did not have any restricted funds for the year ended December 31, 2021.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Sabine Parish Sales & Use Tax Commission. These amounts cannot be used for any other purpose unless the Sabine Parish Sales & Use Tax Commission removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Sabine Parish Sales & Use Tax Commission typically establishes commitments through the adoption and amendment of the budget. The Sabine Parish Sales & Use Tax Commission did not have any committed funds for the year ended December 31, 2021.

Assigned: This classification includes amounts that are constrained by the Sabine Parish Sales & Use Tax Commission's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Sabine Parish Sales & Use Tax Commission or through the Sabine Parish Sales & Use Tax Commission for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Sabine Parish Sales & Use Tax Commission has no assigned funds for year ended December 31, 2021.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the Sabine Parish Sales & Use Tax Commission are designated as unassigned.

The Sabine Parish Sales & Use Tax Commission 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.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

F. Budgets

Prior to the beginning of each fiscal year, the Sabine Parish Sales & Use Tax Commission adopts a budget for the next fiscal year. The budget can be amended before the end of the fiscal year under the same process used to adopt a budget. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

The 2021 General Fund budget was published in the official journal and made available for public inspection. The budget was adopted by the Sabine Parish Sales & Use Tax Commission on December 3, 2020. The budget was amended by the Sabine Parish Sales & Use Tax Commission on July 15, 2021.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Sabine Parish Sales & Use Tax Commission may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The Assessor may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the Assessor may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

H. Investments

The Sabine Parish Sales & Use Tax Commission's investments comply with Louisiana Revised Statute 33:2955. Under state law, the Assessor 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 Assessor may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturities exceed 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the Assessor reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

I. Capital Assets

Capital assets, which include property, plant, and equipment, are recorded in the governmental column of the government-wide financial statements, but are not reported in the governmental fund financial statements. Acquisitions of property and equipment are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sabine Parish Sales & Use Tax Commission maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, fixtures, equipment	5-10 years
Buildings, improvements	10-20 years

J. Deferred Outflows of Resources

The Sabine Parish Sales & Use Tax Commission reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. The Sabine Parish Sales & Use Tax Commission will not recognize the related expenses until a future event occurs. The Sabine Parish Sales & Use Tax Commission reported deferred outflows of resources of \$52,033 in relation to net pension liability, and no deferred outflows of resources affect the governmental funds financial statements.

K. Compensated Absences

All employees earn 5-20 days of annual vacation leave per year depending on length of service with the Sabine Parish Sales & Use Tax Commission. Such leave is credited on a pro rata basis at the end of each payroll reporting period and accumulates. No more than 10 days can be carried forward to the next year. Annual leave is paid upon termination of employment.

L. Deferred Inflows of Resources

The Sabine Parish Sales & Use Tax Commission reports increases in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide statement of net position. The Sabine Parish Sales & Use Tax Commission will not recognize the related revenues until a future event occurs. The Sabine Parish Sales & Use Tax Commission reported deferred inflows of resources of \$55,412, and no deferred inflows of resources affect the governmental funds financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

M. Estimates

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

2. Cash, Cash Equivalents, and Investments

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission had cash and cash equivalents (book balances) totaling \$1,004,292, details shown below. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission had \$1,067,419 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 federal deposit insurance and \$1,400,215 of pledged securities held in a Federal Reserve pledge account. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Sabine Parish Sales & Use Tax Commission has complied with these requirements of state law.

Cash and investments are categorized to give an indication of the level of risk assumed by the Sabine Parish Sales & Use Tax Commission at December 31, 2021. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the the pledging financial institution's trust department or agent but not in the depositor-government's name. The Sabine Parish Sales & Use Tax Commission has cash and cash equivalents that are covered up to \$250,000 of federal depository insurance. The remaining balance is exposed to custodial credit risk because it is uninsured and collateralized with securities held by the pledging financial institution. The Sabine Parish Sales & Use Tax Commission did not have a custodial credit risk policy.

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission had no investments.

	Amount
General fund	\$ 432,719
Agency fund	571,573
Total	\$ 1,004,292

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

3. Receivables

There were no receivables for Sabine Parish Sales & Use Tax Commission at December 31, 2021.

4. Capital Assets

A summary of changes in capital assets for the year ended December 31, 2021, is as follows:

	Balance, January 01, 2021	Additions	Deletions	Balance, December 31, 2021
Capital assets being depreciated				
Building	\$ 14,269	\$ -	\$ -	14,269
Equipment	33,800	-	-	33,800
Total capital assets depreciated	<u>48,068</u>	<u>-</u>	<u>-</u>	<u>48,069</u>
Less accumulated depreciation				
Building	14,269	-	-	14,269
Equipment	33,800	-	-	33,800
Total capital assets depreciated	<u>48,068</u>	<u>-</u>	<u>-</u>	<u>48,069</u>
Net capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Governmental Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

The Sabine Parish Sales & Use Tax Commission has no depreciation for the year ended 12/31/21.

5. Payables

The payables of \$3,831 at December 31, 2021, are as follows:

	Amount
Accounts	\$ 539
Payroll liabilities	3,291
Total	<u>\$ 3,830</u>

6. Retirement Systems

A. Municipal Employees' Retirement System of Louisiana (System)

Plan Description

The Sabine Parish Sales & Use Tax Commission contributes to the Municipal Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System.

Any member of Plan A who was hired before January 1, 2013, can retire providing the member meets one of the following criteria:

1. Any age with 25 years of creditable service.
2. Age 60 with a minimum of ten or more years of creditable service.
3. Any age with 20 years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.
4. Survivor's benefits require five years creditable service at death of member.

Eligibility for retirement for Plan A members hired on or after January 1, 2013 is as follows:

1. Age 67 with seven or more years of creditable service.
2. Age 62 with ten or more years of creditable service.
3. Age 55 with thirty or more years of creditable service.
4. Any age with twenty five years of creditable service, exclusive of military service and unused side leave.

Generally, the monthly amount of retirement allowance for any member of Plan A Tier 2 shall consist of an amount equal to three percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

For the year ended December 31, 2021, the Sabine Parish Sales & Use Tax Commission's total payroll for all employees was \$133,073. Total covered payroll was \$127,845. Covered payroll refers to all compensation paid by the Sabine Parish Sales & Use Tax Commission to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810, or by visiting the System's website www.mersla.com.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2021, the actual employer contribution rate was 29.50%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The Sabine Parish Sales & Use Tax Commission's contributions to the System under Plan A for the year ending December 31, 2021 were \$37,973.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

Under Plan A, members are required by state statute to contribute 10.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Sabine Parish Sales & Use Tax Commission to the System monthly.

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

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission reported a liability of \$187,523 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2020, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sabine Parish Sales & Use Tax Commission's proportion of the Net Pension Liability was based on a projection of the Sabine Parish Sales & Use Tax Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the Sabine Parish Sales & Use Tax Commission's proportion was 0.067418%, which was an increase of 0.006806% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Sabine Parish Sales & Use Tax Commission recognized the system pension expense of \$21,475 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$39,433. Total pension expense for the Sabine Parish Sales & Use Tax Commission was \$60,908.

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission 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	\$ 68	\$ 2,144
Changes in assumption	6,852	-
Net difference between projected and actual earnings on pension plan	-	52,835
Changes in employer's proportion of beginning net pension liability	25,846	-
Differences between employer and proportionate share of contributions	-	433
Contributions after the measurement period	19,267	-
Total	<u>\$ 52,033</u>	<u>\$ 55,412</u>

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

The \$19,267 reported as deferred outflows of resources related to pensions resulting from Sabine Parish Sales & Use Tax Commission contributions subsequent to the measurement date will be recognized as an increase of Net Pension Liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31:	
2022	\$ 9,941
2023	(1,081)
2024	(13,621)
2025	(17,885)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2021, are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.85%, net of pension plan investment expense, including inflation
Inflation Rate	2.5%
Projected Salary Increases (including inflation and merit increases)	-1 to 4 years of service 6.4% -More than 4 years of service 4.5%
Annuitant and beneficiary mortality	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Employee mortality	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Disabled lives mortality	PubG-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.
Expected Remaining Service Lives	3 years

Discount Rate

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 expenses 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 and an adjustment for the effect of rebalancing/diversification.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	53%	2.31%
Public fixed income	38%	1.65%
Alternatives	9%	0.39%
Totals	100%	4.35%
Inflation		2.60%
Expected arithmetic nominal return		6.95%

The discount rate used to measure the total pension liability was 6.85% for the year ended June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Sensitivity of the Sabine Parish Sales & Use Tax Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Sabine Parish Sales & Use Tax Commission's proportionate share of the net pension liability calculated using the discount rate of 6.95%, as well as what the Sabine Parish Sales & Use Tax Commission's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.95%) or one percentage-point higher (7.95%) than the current discount rate (assuming all other assumptions remain unchanged):

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	\$ 2,777,332	\$ 187,523	\$ 111,331

System Fiduciary Net Position

Detailed information about the System's fiduciary net position is available in the separately issued Municipal Employees' Retirement System of Louisiana Audit Report at www.mersla.com.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2021

7. Long-Term Obligations

The following is a summary of the long-term obligation transactions for the year ended December 31, 2021:

Long-term obligation	Balance, January 01, 2021	Additions	Deletions	Balance, December 31, 2021
Net pension liability	\$ 262,050	\$ -	\$ 74,527	\$ 187,523
Compensated absences	364	6,352	-	6,716
Total	\$ 262,414	\$ 6,352	\$ 74,527	\$ 194,239

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2021:

Long-term obligation	Current portion	Long-term portion	Total
Net pension liability	\$ -	\$ 187,523	\$ 187,523
Compensated absences	-	6,716	6,716
Total	\$ -	\$ 194,239	\$ 194,239

8. Risk Management

The Sabine Parish Sales & Use Tax Commission is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the Sabine Parish Sales & Use Tax Commission maintains commercial insurance policies covering each of these risks of loss. The Sabine Parish Sales & Use Tax Commission believes such coverage is sufficient to preclude any significant uninsured losses to the Sabine Parish Sales & Use Tax Commission. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amount.

9. Litigation and Claims

At December 31, 2021, the Sabine Parish Sales & Use Tax Commission involving taxpayer collection efforts, taxpayer refund requests that have been denied, and protested tax payments. At December 31, 2021 there were suits pending involving taxes paid under protest, amounting to \$124,459, which funds have been placed in an escrow account, and an offsetting liability recorded in taxes due others. In addition, the Sabine Parish Sales & Use Tax Commission has received refund requests, where lawsuits have been filed or litigation is expected, for taxes remitted without being paid under protest, and distributed to the respective taxing authorities. These refund requests have not been settled as of the end of the audit period.

10. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 24, 2022, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.



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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**

Sabine Parish Sales & Use Tax Commission
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, each major fund, and the fiduciary fund of the Sabine Parish Sales & Use Tax Commission, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Sabine Parish Sales & Use Tax Commission's basic financial statements and have issued our report thereon dated June 24, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sabine Parish Sales & Use Tax Commission's internal control over financial reporting (internal control) as a basis for designing 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 Sales & Use Tax Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sabine Parish Sales & Use Tax Commission'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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sabine Parish Sales & Use Tax Commission's financial statements are free of 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 is required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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 Sabine Parish Sales & Use Tax Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana
June 24, 2022

**REQUIRED SUPPLEMENTARY
INFORMATION**

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2021

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
Revenues				
Audit fee revenue	\$ 250,000	\$ 150,000	\$ 155,617	\$ 5,617
Charges for services	439,300	350,550	409,202	58,652
Total revenues	<u>689,300</u>	<u>500,550</u>	<u>564,819</u>	<u>64,269</u>
Expenditures				
Current:				
Personnel services	221,235	221,235	209,940	11,295
Supplies	13,000	13,200	11,064	2,136
Utilities	7,700	7,700	6,642	1,058
Repairs and maintenance	22,000	22,000	12,693	9,307
Contractual services	266,000	161,500	167,485	(5,985)
Miscellaneous	1,000	1,000	329	671
Total expenditures	<u>530,935</u>	<u>426,635</u>	<u>408,153</u>	<u>18,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>158,365</u>	<u>73,915</u>	<u>156,666</u>	<u>82,751</u>
Other financing sources (uses)				
Operating transfers	-	-	(230,610)	(230,610)
Miscellaneous	-	408	408	-
Total other financing sources (uses)	<u>-</u>	<u>408</u>	<u>(230,202)</u>	<u>(230,610)</u>
Net changes in fund balances	158,365	74,323	(73,536)	(147,859)
Fund balances - December 31, 2020	<u>502,425</u>	<u>502,425</u>	<u>502,425</u>	<u>-</u>
Fund balances - December 31, 2021	<u>\$ 660,790</u>	<u>\$ 576,748</u>	<u>\$ 428,889</u>	<u>\$ (147,859)</u>

The accompanying notes are an integral part of these financial statements.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Schedule of Employer's Share of Net Pension Liability
Municipal Employees Retirement System
For the year ended December 31, 2021

	2021	2020	2019
Employer's proportion of the net pension liability (asset)	0.067418%	0.060612%	0.053899%
Employer's proportionate share of the net pension liability (asset)	187,523	262,050	225,226
Employer's covered employee payroll	133,499	115,848	61,449
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	140.47 %	226.20 %	366.53 %
Plan fiduciary net position as a percentage of total pension liability	77.82 %	64.52 %	64.68 %

The amounts presented have a measurement date of the prior fiscal year.

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

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Schedule of Employer Contributions
Municipal Employees Retirement System
For the year ended December 31, 2021

	2021	2020	2019
Contractually required contribution	\$ 37,714	\$ 39,183	\$ 30,953
Contributions in relation to contractually required contribution	37,714	39,183	30,953
Contribution deficiency (excess)	-	-	-
Employer's covered payroll	\$ 127,845	\$ 136,723	\$ 111,541
Contributions as a percentage of covered employee payroll	29.50 %	28.66 %	27.75 %

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

SUPPLEMENTAL INFORMATION

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Schedule of Findings and Questioned Costs
For the year ended December 31, 2021

We have audited the basic financial statements of the Sabine Parish Sales & Use Tax Commission as of and for the year ended December 31, 2021 and have issued our report thereon dated June 24, 2022. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2021 resulted in an unqualified opinion.

A. Summary of Auditor's Report

Report on Internal Control and Compliance Material to Financial Statements

Internal Control

Material Weakness Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

B. Findings - Financial Statements Audit

Current Year

No current year findings.

Prior Year

No prior year findings.

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Schedule of Compensation Paid Board Members
For the year ended December 31, 2021

	2021
Glenn Arnold	300
Daron Chandler	250
Veda Corley	2,850
Kenneth Ebarb	1,450
Granvil Martinez	400
Gloria Ruffin	50
Allison Sparks	250
Stephen Steinke	100
Bobby Williams	400
	<u>\$ 6,050</u>

Sabine Parish Sales & Use Tax Commission
Many, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the year ended December 31, 2021

Nolan Rivers Executive Director	
Salary	\$ 57,690
Benefits - Retirement	17,018
Travel reimbursement	95
	<u>\$ 74,803</u>



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners of Sabine Parish Sales & Use Tax Commission
Many, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2021 through December 31, 2021. Sabine Parish Sales & Use Tax Commission's management is responsible for those C/C areas identified in the SAUPs.

Sabine Parish Sales & Use Tax Commission 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 January 01, 2021 through December 31, 2021. 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:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a. Budgeting, including preparing, adopting, monitoring, and amending the budget.
 - b. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c. Disbursements, including processing, reviewing, and approving,
 - d. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e. Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process,
- g. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k. 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.
- l. Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception: None.

Management's Response: None.

Board

- 2. 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:
 - a. 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.

Response: The Board of Commissioners meets with a quorum regularly.
 - b. 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. Alternately, for those entities reporting on the nonprofit 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.

Response: The Board of Commissioners review financial statements, but there is no reference to budget-to-actual comparisons.
 - c. 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.

Response: There is no negative unrestricted fund balance.

Exception: See above responses.

Management's Response: The Board will reference budget-to-actual comparison reports in the minutes.

Bank Reconciliations

3. Obtain a listing of entity 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 each selected account, and observe that:

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

Response: Bank Reconciliations were prepared within 2 months of the related statement closing date.

b. Bank reconciliations include evidence that a member of management/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

Response: Bank Reconciliations are initialed and dated by the Administrator.

c. 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.

Response: There are three outstanding checks issued over 12 months ago. No evidence on the researching of these checks.

Exception: See above responses.

Management's Response: Management will research the outstanding checks.

Collections

4. 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).

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

Response: The employees do not accept cash payments. All checks are received by the Office Manager, and no cash drawer is shared by another employee.

b. 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.

Response: The Administrator reviews the control report and deposit slips for dual verification.

c. 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.

Response: The Office Manager collects cash and posts collection entries to the general ledger. The Administrator reconciles the posting to the deposit.

d. 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/official verifies the reconciliation.

Response: The Administrator is responsible for the reconciliation and does not collect cash.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Response: All employees are bonded or covered by an insurance policy.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 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). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

a. Observe that receipts are sequentially pre-numbered.

Response: Sequentially pre-numbered receipts are not used.

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

Response: Two of six deposits did not have system reports or other documentation that could be traced to the deposit slip.

c. Trace the deposit slip total to the actual deposit per the bank statement.

Response: All deposit slip were traced back to the bank statement.

d. 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 and the cash is stored securely in a locked safe or drawer).

Response: All deposits are made within one business day of receipt.

e. Trace the actual deposit per the bank statement to the general ledger.

Response: All deposits can be traced back to the general ledger.

Exception: See above responses.

Management's Response: None.

Disbursements - General

8. 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).

9. For each location selected under #8 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:

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

Response: The Office Manager and Administrator are involved in purchases.

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

Response: The Office Manager processes purchases, and the Administrator and Deputy Administrator or Board Member sign checks..

c. 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.

Response: The Office Manager processes payments and adds/modifies vendors, but the Administrator and Board Members review changes to the vendor files.

d. 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.

Response: The Administrator or Deputy Administrator is responsible for mailing payments.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

a. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Response: All disbursements have original itemized invoices.

b. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Response: Four of the 23 disbursements reviewed did not have an approval by the Administrator.

Exception: See above responses.

Management's Response: Sabine Parish Sales & Use Tax Commission will include a written policy on the segregation of duties which will include the mailing responsibilities of disbursements.

Credit Cards

11. 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.

12. 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. 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.

b. Observe that finance charges and late fees were not assessed on the selected statements.

13. 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).

a. For each transaction, observe that it is supported by:

i. An original itemized receipt that identifies precisely what was purchased,

Response: An original itemized receipt was available for each transaction.

ii. Written documentation of the business/public purpose, and

Response: There is no documentation on business/public purpose.

iii. Documentation of the individuals participating in meals (for meal charges only).

Response: There are no charges for meals.

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.

Exception: See above responses.

Management's Response: Sabine Parish Sales & Use Tax Commission will ensure that credit card purchases include a written documentation for the business/public purpose of the purchase.

Travel and Expense Reimbursement

14. 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. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exception: None.

Management's Response: None

Contracts

15. 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. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, was approval documented).
- d. 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 the invoice and related payment agreed to the terms and conditions of the contract.

Management's Response: There are no new contracts.

Payroll and Personnel

16. 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.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a. Observe all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
- b. Observe whether supervisors approved the attendance and leave of the selected employees/officials.
- c. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

18. 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 and the entity's policy on termination payments. Agree the hours to the employee or official's authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Exception: None.

Management's Response: None

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Response: All employees are completed one hour of ethics training during the fiscal period.

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

Response: Policy has not changed from the prior year.

Exception: See above responses.

Management's Response: None.

Debt Service

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

Response: No bonds/notes issued.

22. 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).

Response: No bonds/notes issued.

Management's Response: None

Fraud Notice

23. 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.

Response: No misappropriations of public funds and assets was noted.

24. 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.

Response: Posting was observed on the premises.

Management's Response: None

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

b. 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.

c. 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.

Response: We performed the procedure and discussed the results with management.

Management's Response: None.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 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.

Response: Training was not completed by any employees.

27. 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).

Response: The sexual harassment policy is posted on the premises.

28. 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:

- a. Number and percentage of public servants in the agency who have completed the training requirements;
- b. Number of sexual harassment complaints received by the agency;
- c. Number of complaints which resulted in a finding that sexual harassment occurred;
- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

Response: The annual report was not completed.

Management's Response: The employees will complete the annual sexual harassment training, and the annual report will be completed timely.

We were engaged by Sabine Parish Sales & Use Tax Commission 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.

This report is intended 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.

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana
June 24, 2022

SABINE PARISH SALES & USE TAX COMMISSION

670 SAN ANTONIO AVE. ~ P.O. BOX 249 ~ MANY, LA 71449
PHONE 318-256-6219 ~ FAX 318-256-9794

June 24, 2022

Kenneth D. Folden & Co., CPAs, LLC
302 8th Street
Jonesboro, LA 71251

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 01, 2021 through December 31, 2021, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (as applicable).
Yes No
2. For the fiscal period January 01, 2021 through December 31, 2021, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.
Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.
Yes No
4. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.
Yes No
5. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.
Yes No
6. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2021, and June 24, 2022.
Yes No
7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.

- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the 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, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes No
17. We represent that the 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 during the fiscal period.
- Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
- Yes No

20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.

Yes No

21. We are not aware of any material misstatements in the C/C areas identified in the SAUPs.

Yes No

22. We have disclosed to you any other matters as we have deemed appropriate.

Yes No

23. We have responded fully to all inquiries made by you during the engagement.

Yes No

24. We have disclosed to you all known events that have occurred subsequent to December 31, 2021, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature Wanda Rini Date 6.24.22

Title Administrator

Signature _____ Date _____

Title _____