

R E P O R T

ST. BERNARD PARISH SHERIFF

CHALMETTE, LOUISIANA

JUNE 30, 2022

ST. BERNARD PARISH SHERIFF

INDEX TO REPORT

JUNE 30, 2022

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT.....	1 - 4
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	5 - 11
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	15
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	17
Statement of Net Position – Proprietary Funds.....	18
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	19
Statement of Cash Flows – Proprietary Funds.....	20
Statement of Net Position – Fiduciary Funds	21
Statement of Changes in Net Position – Fiduciary Funds	22
Notes to Financial Statements	23 - 52

(Continued)

ST. BERNARD PARISH SHERIFF

INDEX TO REPORT

JUNE 30, 2022

	<u>PAGE</u>
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule – General Fund.....	53
Schedule of Changes in the Other Post Employment Benefits Liability and Related Ratios.....	54
Schedule of the Sheriff’s Proportionate Share of the Net Pension Liability.....	55
Schedule of the Sheriff’s Pension Contributions	56
Notes to Required Supplementary Information	57 - 61
OTHER SUPPLEMENTARY INFORMATION:	
Proprietary Funds – Internal Service Funds:	
Internal Service Funds Descriptions.....	62
Combining Statement of Net Position.....	63
Combining Statement of Revenues, Expenses, and Changes in Net Position	64
Combining Statement of Cash Flows.....	65
Fiduciary Fund Type – Custodial Funds:	
Custodial Funds Descriptions.....	66
Combining Statement of Net Position.....	67
Combining Statement of Changes in Deposit Balances Due to Taxing Bodies and Others	68
Justice System Funding Schedule Collecting/Disbursing Entity Custodial Funds	69 - 71
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	72
Affidavit	73
Schedule of Expenditures of Federal Awards.....	74
Notes to Schedule of Expenditures of Federal Awards	75

(Continued)

ST. BERNARD PARISH SHERIFF

INDEX TO REPORT

JUNE 30, 2022

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	76 – 77
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE.....	78 – 80
SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	81 – 83
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS	84-85



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

INDEPENDENT AUDITOR'S REPORT

Lindsay J. Calub, CPA, LLC
Guy L. Duplantier, CPA
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA

Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Paul M. Novak, CPA, AVB, CVA
Wesley D. Wade, CPA

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

December 30, 2022

Honorable James J. Pohlmann
St. Bernard Parish Sheriff
Chalmette, Louisiana 70043

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Bernard Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the index to the report.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Bernard Parish Sheriff as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in conformity 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

www.dhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Bernard Parish Sheriff's basic financial statements. The combining financial statements of the proprietary funds – internal service funds, and the combining financial statements of the fiduciary fund type – custodial funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the St. Bernard Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant

agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 St. Bernard Parish Sheriff's internal control over financial reporting and compliance.

Duplantier, Hapman, Hogan & Porter LLP

New Orleans, Louisiana

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

Within this section of the St. Bernard Parish Sheriff's (the Sheriff) annual financial report, the Sheriff's management is pleased to provide this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2022. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

The Sheriff's management has utilized insurance, as well as federal and state programs, to continue to provide services for the parish.

FINANCIAL HIGHLIGHTS

As of June 30, 2022, the Sheriff's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$5,659,605 on the Sheriff's government-wide financial statements.

Total net position is comprised of the following:

1. Net investment in capital assets of \$6,984,559 includes property and equipment, net of accumulated depreciation, reduced for outstanding debt related to the purchase of capital assets.
2. Unrestricted net position represents the portion available to maintain the Sheriff's continuing obligations to citizens and creditors. Unrestricted net position had a deficit balance of \$1,324,954 due primarily to and OPEB payable.

The Sheriff's governmental funds reported total ending fund balance of \$16,119,180. This compares to the prior year ending fund balance of \$14,580,694, an increase of \$1,538,486 during the year ended June 30, 2022.

At June 30, 2022, the unassigned fund balance for the General Fund was \$15,861,614, or 57.6% of total General Fund expenditures and 54.4% of total General Fund revenues including transfers. Non-spendable fund balance for the General Fund was \$257,566 or 0.9% of total General Fund expenditures and 0.9% of General Fund revenues including transfers.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of four sections: management's discussion and analysis (this section), the basic financial statements and related footnotes, and required supplementary information. Management's discussion and analysis is intended to serve as an introduction to the St. Bernard Parish Sheriff's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplementary information and other supplementary information.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position that presents information on the St. Bernard Parish Sheriff's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. This statement is designed to display the financial position of the St. Bernard Parish Sheriff. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net position changed during the fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenue provided by the Sheriff's taxpayers.

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

FUND FINANCIAL STATEMENTS

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

The various funds of the Sheriff are classified into three categories: governmental (general fund), proprietary (internal service funds), and fiduciary (custodial funds).

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

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

FUND FINANCIAL STATEMENTS (Continued)

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives. The governmental fund financial statements are presented on pages 14 through 17 of this report.

Proprietary (internal service) funds are included in the government-wide financial statements and the fund financial statements and report on the medical claims funded by the Sheriff's General Fund and contributions from the employees and auto claims funded by the Sheriff's General Fund. The proprietary fund financial statements are presented on pages 18 through 19 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending court action, and the individual prison inmate accounts. The fiduciary fund financial statement is presented on page 21 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 22 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the St. Bernard Parish Sheriff's budgetary comparison, changes in the net OPEB liability and related ratios, proportionate share of the net pension liability, and pension contributions.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Sheriff's net position at fiscal year-end is a balance of \$5,659,605. The following table provides a summary of the Sheriff's net position:

CONDENSED COMPARATIVE STATEMENTS OF NET POSITION

	<u>June 30, 2022</u>		<u>June 30, 2021</u>	
	Governmental Activities	Percentage Total	Governmental Activities	Percentage Total
<u>Assets:</u>				
Current assets and other assets	\$ 18,814,293	70.25%	\$ 19,195,441	71.34%
Capital assets, net	6,984,559	26.08%	7,709,989	28.66%
Net pension asset	983,456	3.67%	-	-
Total Assets	<u>26,782,308</u>	<u>100.00%</u>	<u>26,905,430</u>	<u>100.00%</u>
<u>Deferred Outflows</u>	<u>12,031,130</u>	<u>100.00%</u>	<u>10,871,323</u>	<u>100.00%</u>
<u>Liabilities:</u>				
Current liabilities	1,298,837	7.49%	1,318,046	4.53%
Long-term liabilities	16,048,736	92.51%	14,996,261	51.59%
Net pension liability	-	-	12,753,062	43.87%
Total liabilities	<u>17,347,573</u>	<u>100.00%</u>	<u>29,067,369</u>	<u>100.00%</u>
<u>Deferred Inflows</u>	<u>15,806,260</u>	<u>100.00%</u>	<u>3,670,182</u>	<u>100.00%</u>
<u>Net Position:</u>				
Net investment in capital assets	6,984,559	123.41%	7,709,989	153.00%
Unrestricted	<u>(1,324,954)</u>	<u>-23.41%</u>	<u>(2,670,787)</u>	<u>-53.00%</u>
Total net position	<u>\$ 5,659,605</u>	<u>100.00%</u>	<u>\$ 5,039,202</u>	<u>100.00%</u>

The Sheriff reported an increase in net position for the governmental activities. Net position increased by \$620,403 for governmental activities in fiscal year 2022. The increase in net position is greater than the increase in net position in the prior year due to increased revenues in the current year related primarily to sales taxes, as the Sheriff's sales tax revenues increased by \$1,270,137 in the current year.

Note that the majority of the governmental activities' net position is invested in capital assets. The Sheriff uses these capital assets to provide services to its citizens.

The following table provides a summary of the Sheriff's changes in net position for the years ended June 30, 2022 and 2021:

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

**COMPARATIVE STATEMENTS OF ACTIVITIES
 FOR THE YEAR ENDED**

	<u>June 30, 2022</u>		<u>June 30, 2021</u>	
	<u>Governmental Activities</u>	<u>Percentage Total</u>	<u>Governmental Activities</u>	<u>Percentage Total</u>
<u>Revenues:</u>				
Program:				
Charges for services	\$ 6,968,628	21.86%	\$ 6,098,612	20.72%
Operating grants	3,468,533	10.88%	3,391,377	11.52%
General:				
Property taxes	12,364,306	38.79%	12,905,385	43.85%
Sales taxes	5,499,324	17.25%	4,229,187	14.37%
Unrestricted state grants	1,191,327	3.74%	1,008,655	3.43%
Interest earnings	1,039	0.00%	7,469	0.03%
Gain on disposal of assets	78,992	0.25%	-	0.00%
Miscellaneous	2,299,617	7.22%	1,788,073	6.08%
Total revenues	<u>31,871,766</u>	<u>100.00%</u>	<u>29,428,758</u>	<u>100.00%</u>
<u>Program Expenses:</u>				
Public safety	<u>31,251,363</u>	<u>100.00%</u>	<u>29,172,104</u>	<u>100.00%</u>
Total expenses	<u>31,251,363</u>	<u>100.00%</u>	<u>29,172,104</u>	<u>100.00%</u>
Change in net position	<u>\$ 620,403</u>		<u>\$ 256,654</u>	

GOVERNMENTAL REVENUES

The Sheriff is heavily reliant on property and sales taxes to support its operations. Property and sales taxes provided 58.4% of the Sheriff's total revenues. Program revenues, including operating grants received and charges for services, accounted for 29.9% of governmental operating revenues. Operating grant revenues increased by \$77,156, or 2.28%, in the current year due to CARES Act revenues recognized in the previous year related to the coronavirus (COVID-19) pandemic.

GOVERNMENTAL FUNCTIONAL EXPENSES

The total function of the Sheriff's office is public safety activities. Total public safety expenses increased by \$2,079,259, or 7.13%, in the current year, due to increases in personnel services and related benefits as a result of employee pay raises that were granted during the year and increased expenses associated with the Sheriff's pension and OPEB liabilities.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS

Governmental Funds

As discussed, governmental funds are reported in the fund financial statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$16,119,180. Of this total, \$15,861,614 or 98% is unassigned indicating availability for continuing the Sheriff's activities.

MAJOR GOVENMENTAL FUNDS

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$1,538,486 from the prior year.

Operating expenditures were approximately \$27.6 million or 5% more than fiscal year 2021. Non-personnel operating costs increased approximately \$57 thousand or 1% above the prior year. The reason for the increase was related primarily to an increase in materials and supplies, which increased approximately \$400,000 or 41%.

BUDGETARY HIGHLIGHTS

General Fund

The final revenue budget for fiscal year 2022 was \$2.1 million less than the actual amounts reported in the fiscal year due primarily to increased ad valorem revenues, sales tax revenues, federal and state grants, and commissions on sales taxes, licenses, etc.

Actual expenditures were greater than final budgeted expenditures by \$713,481 primarily in the areas of materials and supplies.

The final amended revenues budget increased 6.2% from the original budget. Actual revenue exceeded the final budget by 7.9%. The final amended expenditure budget increased 6.2% over the original budget. Actual expenditures rose above the final budget by 2.3%.

The actual excess of revenues over expenditures over the final budget was \$1,512,873.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2022, was \$6,984,559. The net decrease in the amount of \$725,430 was due primarily to depreciation expense and assets sold during the current year. Depreciation on the building improvements, vehicles, office furniture and equipment, and law enforcement weapons and communication equipment was \$1,358,815 or 4.9% of total expenses. See Note 4 for additional information about changes in capital assets during the fiscal year and capital assets owned at the end of the fiscal year. The following table provides a summary of capital asset activity.

	<u>CAPITAL ASSETS</u>	
	<u>Governmental Activities</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Land and building improvements	\$ 5,523,975	\$ 5,523,975
Vehicles	5,445,605	5,708,071
Boats and equipment	522,899	534,119
Office furniture and equipment	3,072,794	3,107,617
Law enforcement weapons and communications equipment	<u>3,781,831</u>	<u>3,704,250</u>
Total capital assets	<u>18,347,104</u>	<u>18,578,032</u>
Less accumulated depreciation	<u>11,362,545</u>	<u>10,868,043</u>
Net book value - total capital assets	<u>\$ 6,984,559</u>	<u>\$ 7,709,989</u>

The major additions to the capital asset accounts include computer equipment, vehicles, and law enforcement equipment in the amount of \$611,726

Debt

The Sheriff has no long-term debt outstanding at year-end. However, there are long-term liabilities related to other postemployment benefits and legal settlement payable.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact James J. Pohlmann, Sheriff, St. Bernard Parish Sheriff and Tax Collector, P.O. Box 168, Chalmette, LA 70044.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 14,782,505
Due from other governmental units	1,979,461
Due from other funds	1,794,761
Prepaid items	257,566
Total current assets	<u>18,814,293</u>
Noncurrent assets:	
Capital assets, net	6,984,559
Net pension asset	983,456
Total noncurrent assets	<u>7,968,015</u>
Total assets	<u>26,782,308</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows related to pensions	5,584,423
Deferred outflows related to other postemployment benefits	6,446,707
Total deferred outflows of resources	<u>12,031,130</u>
LIABILITIES:	
Current liabilities:	
Accounts and other accrued payables	1,247,143
Due to other funds	1,694
Legal settlement	50,000
Total current liabilities	<u>1,298,837</u>
Noncurrent liabilities:	
OPEB payable	15,998,736
Legal settlement	50,000
Total noncurrent liabilities	<u>16,048,736</u>
Total liabilities	<u>17,347,573</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred inflows related to pensions	10,291,403
Deferred inflows related to other postemployment benefits	5,514,857
Total deferred inflows of resources	<u>15,806,260</u>
NET POSITION:	
Net investment in capital assets	6,984,559
Unrestricted	(1,324,954)
Total net position	<u>\$ 5,659,605</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Function/Program	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Public safety	\$ 31,251,363	\$ 6,968,628	\$ 3,468,533	\$ (20,814,202)
Total	<u>\$ 31,251,363</u>	<u>\$ 6,968,628</u>	<u>\$ 3,468,533</u>	<u>(20,814,202)</u>
General revenues:				
Taxes:				
Sales and property taxes, levied for general purposes				17,863,630
Grants and contributions not restricted to specific programs - State sources				1,191,327
Interest earnings				1,039
Gain on disposal of assets				78,992
Miscellaneous				<u>2,299,617</u>
Total general revenues				<u>21,434,605</u>
Change in net position				620,403
Net position - July 1, 2021				<u>5,039,202</u>
Net position - June 30, 2022				<u>\$ 5,659,605</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 14,418,447
Receivables:	
Due from other governmental units	1,979,461
Due from other funds	1,794,761
Prepaid expenditures	<u>257,566</u>
 Total assets	 \$ <u><u>18,450,235</u></u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities:	
Accounts, salaries, and withholdings payable	\$ 1,002,500
Due to other funds	1,694
Legal settlements	<u>50,000</u>
Total liabilities	<u>1,054,194</u>
 Deferred inflows of resources:	
Unavailable grant revenue	<u>1,276,861</u>
 Fund balances:	
Nonspendable (prepaid expenditures)	257,566
Unassigned	<u>15,861,614</u>
 Total fund balances	 <u>16,119,180</u>
 Total liabilities, deferred inflows of resources, and fund balances	 \$ <u><u>18,450,235</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances for governmental funds at June 30, 2022 (Page 14)		\$ 16,119,180
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Those assets consist of:		
Land and building improvements, net of \$1,066,511 accumulated depreciation	\$ 4,457,464	
Vehicles, net of \$4,316,973 accumulated depreciation	1,128,632	
Equipment and furniture, net of \$2,142,553 accumulated depreciation	930,241	
Law enforcement weapons and communications equipment, net of \$3,359,015 accumulated depreciation	422,816	
Boats and equipment, net of \$477,493 accumulated depreciation	<u>45,406</u>	6,984,559
Deferred outflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.		5,584,423
Deferred outflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.		6,446,707
Internal service funds are used by management to charge the cost of insuring risk (i.e. self-insurance) to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		119,415
Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.		1,276,861
Assets relating to pension calculations are not available as a current resource and, therefore, not reported in the funds.		983,456
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds.		
Those debts consist of:		
OPEB Payable	(15,998,736)	
Legal Settlement	<u>(50,000)</u>	(16,048,736)
Deferred inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.		(10,291,403)
Deferred inflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.		<u>(5,514,857)</u>
Total net position of governmental activities at June 30, 2022 (Page 12)		<u>\$ 5,659,605</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>GENERAL FUND</u>
Revenues:	
Ad valorem taxes	\$ 12,364,306
Sales taxes	5,499,324
Intergovernmental revenues:	
Federal grants and state grants	988,796
State revenue sharing	337,123
State supplemental pay	1,202,876
Video poker	818,253
Fees, charges, and commissions for services:	
Commissions on sales taxes, licenses, etc.	4,022,667
Prisoner care and maintenance	1,404,994
Civil and criminal fees and court cost	502,662
Detail income	523,942
Bond forfeitures	35,951
Interest income	1,039
Other	1,382,909
Total revenues	<u>29,084,842</u>
Expenditures:	
Public safety:	
Personnel services and related benefits	21,728,781
Operating services	3,369,611
Material and supplies	1,413,562
Travel and other charges	46,580
Capital outlay	661,725
Miscellaneous	403,222
Total expenditures	<u>27,623,481</u>
Excess of revenues over expenditures	1,461,361
Other financing sources:	
Proceeds from sale of assets	<u>77,125</u>
Excess of revenue and other financing sources over expenses	1,538,486
Fund balance, beginning of year	<u>14,580,694</u>
Fund balance, ending of year	<u>\$ 16,119,180</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF GOVERNMENTAL AND PROPRIETARY FUNDS
 TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Total net changes in fund balance for the year ended June 30, 2022, per statement of revenues, expenditures, and changes in fund balance (page 16)		\$ 1,538,486
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlays which are considered expenditures on statement of revenues, expenditures, and changes in fund balance	\$ 661,725	
Depreciation expense for the year ended June 30, 2022	<u>(1,358,815)</u>	(697,090)
<p>In the statement of activities, gains and losses on the disposal of capital assets are reported, whereas in the governmental funds, the proceeds from the disposal of capital assets are reflected, regardless of whether a gain or loss is realized.</p>		
		1,867
<p>OPEB benefit (expense), which is the change in the other postemployment benefits liability adjusted for changes in deferred outflows and inflows of resources related to other postemployment benefits, is reported in the statement of activities.</p>		
		(988,565)
<p>Pension benefit (expense), which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.</p>		
		(1,361,380)
<p>Non-employer contributions are reported as revenues in the governmental funds when made. The Sheriff's proportionate share of non-employer contributions to the pension plan is reported in the statement of activities.</p>		
		916,708
<p>Revenues reported as unavailable in the fund financial statements that do not provide current financial resources are reported as revenue in the statement of activities.</p>		
		1,276,861
<p>Legal settlement is expensed in governmental funds when accrued.</p>		
		(50,000)
<p>Internal service funds are used by management to charge the costs of risk management activities (i.e., self insurance) to individual departments and funds. The change in net position of the internal service funds is reported with governmental activities.</p>		
		<u>(16,484)</u>
Total change in net position for the year ended June 30, 2022, per statement of activities (page 13)		\$ <u><u>620,403</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2022

	GOVERNMENTAL <u>ACTIVITIES</u> INTERNAL <u>SERVICE FUND</u>
ASSETS:	
Current assets:	
Cash	\$ 364,058
Total assets	<u>364,058</u>
LIABILITIES:	
Current liabilities:	
Accounts and other accrued payables	<u>244,643</u>
Total liabilities	<u>244,643</u>
NET POSITION:	
Unrestricted	<u>119,415</u>
Total net position	<u><u>\$ 119,415</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
 PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND</u>
Operating revenues:	
Charges for services	\$ 3,994,363
Total operating revenues	<u>3,994,363</u>
Operating expenses:	
Public safety:	
Personnel services and related benefits	3,909,948
Professional services and administrative	<u>100,899</u>
Total operating expenses	<u>4,010,847</u>
Operating loss	<u>(16,484)</u>
Change in net position	(16,484)
Net position, beginning of year	<u>135,899</u>
Net position, end of year	<u>\$ 119,415</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u> <u>INTERNAL</u> <u>SERVICE FUND</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from user departments and participants	\$ 3,994,363
Cash paid for claims	<u>(3,965,948)</u>
Net cash provided by operating activities	<u>28,415</u>
Net increase in cash and cash equivalents	28,415
Cash and cash equivalents at beginning of the year	<u>335,642</u>
Cash and cash equivalents at end of the year	<u>\$ 364,057</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (16,484)
Increase in accounts payable	<u>44,899</u>
Net cash provided by operating activities	<u>\$ 28,415</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 FUND FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2022

	<u>CUSTODIAL FUNDS</u>
ASSETS:	
Cash and cash equivalents	\$ 6,391,866
Due from other funds	1,694
Due from other taxing authorities	<u>134,820</u>
Total assets	<u>6,528,380</u>
 LIABILITIES:	
Due to other funds, taxing bodies, prisoners and others	<u>6,528,380</u>
Total liabilities	<u>6,528,380</u>
Net position	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>CUSTODIAL FUNDS</u>
Additions:	
Deposits:	
Judicial sales and costs	\$ 729,763
Bonds	209,023
Inmate deposits	313,717
Taxes, fees, etc., paid to tax collector	114,097,979
Interest	<u>2,392</u>
Total additions	<u>115,352,874</u>
Reductions:	
Taxes, fees, deposits distributed to taxing bodies and others	113,854,628
Deposits settled to inmates	307,836
Other reductions:	
Restitution and refunds	<u>529,301</u>
Total reductions	<u>114,691,765</u>
Net change	661,109
Deposit balances due to taxing bodies and others:	
Balances, beginning of year	<u>5,867,271</u>
 BALANCES, END OF YEAR	 <u>\$ 6,528,380</u>

The accompanying notes are an integral part of the basic financial statements.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the St. Bernard Parish Sheriff (Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, sales taxes, parish occupational licenses, state revenue sharing funds, sporting licenses, fines, costs, and bond forfeitures imposed by the district court.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due to various taxing bodies and others.

The accounting and reporting policies of the St. Bernard Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures conform to the requirements of guides set forth in *Louisiana Audit Guide*, and to the industry audit and accounting guide, *Audits of States and Local Governmental Units*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

REPORTING ENTITY

For financial reporting purposes, the Sheriff includes all funds and activities that are controlled by the Sheriff as an independently elected parish official. The Sheriff is solely responsible for the operations of his office, which includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipts and disbursements of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent.

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and other government units within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF PRESENTATION, MEASUREMENT FOCUS, AND BASIS OF ACCOUNTING

The accompanying basic financial statements of the St. Bernard Parish Sheriff have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Sheriff as a whole. These include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from 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 of the functions of the Sheriff's governmental activities. *Direct expenses* are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. *Program revenues* include: (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities of the Sheriff. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into three categories: governmental, proprietary (internal service), and fiduciary. The emphasis on the fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The General Fund of the Sheriff is considered to be a major fund. The following is a description of the funds utilized by the Sheriff:

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF PRESENTATION, MEASUREMENT FOCUS, AND BASIS OF ACCOUNTING
(Continued)

Fund Financial Statements (FFS) (Continued)

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. The General Fund is the primary operating fund of the Sheriff and it accounts for all financial resources, except those required to be in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and in accordance with the Sheriff's policy.

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

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenue available if it is collected within 60 days after the fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on long-term debt which is recognized when due, and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Those revenues susceptible to accrual are state revenue sharing, intergovernmental reimbursements, interest, and grants. Ad valorem taxes, sales taxes, fines and commissions, and costs collected and held by the Tax Collector Custodial Fund on behalf of the Sheriff's General Fund are also accrued. Substantially all other revenues are recorded when received. The governmental fund uses the following practice in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on January 1 of the following year. The taxes are generally collected in December, January, and February of the fiscal year.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF PRESENTATION, MEASUREMENT FOCUS, AND BASIS OF ACCOUNTING
(Continued)

Fund Financial Statements (FFS) (Continued)

Governmental Funds (Continued)

Revenues (Continued)

Intergovernmental revenues, grants and fees, charges, and commissions for service are recorded when the Sheriff is entitled to the funds or in the same period as the underlying expenditures.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the expenditure is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Proprietary Funds

The focus on proprietary fund measurement is upon determination of operating income, changes in net financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The Sheriff's internal service funds are a proprietary fund type.

Internal service funds (self-insured medical and automobile claims funds) are used by the Sheriff to account for the financing of goods and services provided by one department to other departments of the Sheriff on a cost-reimbursement basis. Operating expenses of the internal service funds include the cost of claims and judgments and related administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Because the principal users of the internal services are the Sheriff's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF PRESENTATION, MEASUREMENT FOCUS, AND BASIS OF ACCOUNTING
(Continued)

Fund Financial Statements (FFS) (Continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The only funds accounted for in this category by the Sheriff are custodial funds. The custodial funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections), for deposits held pending court action, and for the funds of individual prisoner account balances while in custody of the St. Bernard Parish Prison. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the custodial funds have no measurement focus but use the accrual basis of accounting.

BUDGETS

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget for the General Fund for the fiscal year and submits it to the Sheriff no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

CASH AND CASH EQUIVALENTS

For reporting purposes, cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. They are stated at cost, which approximates market. Cash equivalents consist of short-term government pool funds and government mutual funds. They are stated at cost, which approximates market. Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State law R.S. 39:1225 provides that the amount of security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. LAMP invests in obligations issued by the U.S. Government, its agencies, and instrumentalities. LAMP is subject to regulatory oversight of the State Treasurer and its Board of Directors. Audited financial statements are available from LAMP.

SHORT-TERM INTERFUND RECEIVABLES / PAYABLES

During the course of operations, transactions can occur between individual funds. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables. These receivable/payables are eliminated in the government-wide financial statements.

PREPAID ITEMS

Insurance payments paid to insurance agencies and rental payments made to lessors that will benefit periods beyond June 30, 2022, are recorded as prepaid items.

CAPITAL ASSETS

Capital assets are recorded in the Statement of Net Position. Capital assets are capitalized at historical cost or estimated cost, if historical cost is not available. The Sheriff maintains a threshold of \$1,000 or more for capitalizing capital assets. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

CAPITAL ASSETS (Continued)

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and building improvements	5 – 40
Vehicles	5
Boats and equipment	5 – 7
Office furniture and equipment	5 – 7
Law enforcement weapons and communications equipment	5 – 7

COMPENSATED ABSENCES

The Sheriff's office has the following policy relating to vacation and sick leave:

Employees earn vacation based on continuous service as follows:

<u>Time in Service</u>	<u>Vacation Earned</u>
Up to 3 years	10 days per year
4 to 10 years	15 days per year
Over 10 years	20 days per year

Annual leave cannot be accumulated and must be used in the year earned.

Sick leave is earned at a rate of one day per month of service and can be accumulated up to 90 days. Sick leave is lost upon termination. The cost of current leave privileges is recognized as a current-year expenditure in the General Fund when the leave is actually taken. At June 30, 2022, there are no accumulated and vested leave privileges to be accrued in accordance with generally accepted governmental accounting principles.

NET POSITION / FUND BALANCE

In the government-wide and proprietary fund financial statements, net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

1. *Net investment in capital assets* – consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

NET POSITION / FUND BALANCE (Continued)

2. *Restricted net position* – consists of net positions with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. *Unrestricted net position* – all other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, fund balance is classified in the following components:

1. *Nonspendable* – amounts that cannot be spent either because they are in nonspendable form (such as inventory and prepaids) or because they are legally or contractually required to be maintained intact.
2. *Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. *Committed* – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority.
4. *Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes, determined by the Sheriff.
5. *Unassigned* – the residual amount of fund balance which does not fall into one of the other components.

When an expenditure is incurred for the purposes for which restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in its committed or assignment actions.

INTERFUND TRANSACTIONS

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

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure/expense) until that future time. A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities on the Statement of Net Position. Noncurrent liabilities include other postemployment benefits, legal settlement payable, and net pension liability.

For purposes of measuring the other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefit expense are determined based on actuarial valuation. The Sheriff reports both deferred outflows of resources and deferred inflows of resources related to the other postemployment benefits liability calculation.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (SPRF) and changes in SPRF's fiduciary net position have been determined on the same basis as they are reported by SPRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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.

NEW ACCOUNTING STANDARD:

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This Statement outlines a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

NEW ACCOUNTING STANDARD: (Continued)

activities. The Sheriff has analyzed the provisions of GASB Statement No. 87, *Leases*, and has concluded that there are no material leasing arrangements which qualify for adjustment or disclosure under the new statement. Therefore, no restatement of prior periods or cumulative effect adjustment recorded in the year of adoption, was considered necessary.

2. CASH AND CASH EQUIVALENTS:

At June 30, 2022, the Sheriff had cash and cash equivalents (book balances) totaling \$21,174,371 as follows:

	Government-Wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Cash:			
Cash on hand	\$ 650	\$ -	\$ 650
Non-interest-bearing deposits	4,099,380	917,536	5,016,916
Cash equivalents	10,682,475	5,474,330	16,156,805
Total	\$ 14,782,505	\$ 6,391,866	\$ 21,174,371

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. Deposit balances (bank balances) of \$4,099,380 at June 30, 2022, were entirely secured by federal deposit insurance, pledged securities, and an irrevocable standby letter of credit.

Cash equivalents are stated at cost, which approximates market. Cash equivalents consist of the funds in Promontory Insured Cash Sweep accounts. Insured Cash Sweep (ICS) is a trusted, tested service utilized by financial institutions across the United States. Financial institutions that use ICS benefit from the Promontory Network advantage and the confidence of knowing that ICS is endorsed by the American Bankers Association and enjoys strategic marketing alliances with key trade associations across the United States. When a customer submits funds to a Promontory Network member (Gulf Coast Bank and Trust) for placements through ICS, that institution places the funds into deposit accounts at FDIC-insured banks that are also members of the ICS Network. This occurs in increments below the standard FDIC insurance maximum (\$250,000) so that both principal and interest are eligible for FDIC insurance. By working directly with just one institution (Gulf Coast Bank and Trust), the Sheriff is able to receive coverage from many. At June 30, 2022, the Sheriff's cash equivalent bank balances held in Promontory Insured Cash Sweep accounts were \$7,026,005.

For the year ended June 30, 2022, cash equivalents in the amount of \$9,701,607 consisted of local government pooled investments maintained by the Louisiana Asset Management Pool, Inc.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

2. CASH AND CASH EQUIVALENTS: (Continued)

(LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

GASB Statement No. 40 *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The following facts are relevant for investment pools:

1. Credit risk – Lamp is rated AAAM by Standard & Poor’s.
2. Custodial credit risk – LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of credit risk – Pooled investments are excluded from the 5 percent disclosure requirement.
4. Interest rate risk – LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM (to reset) and the WAM (to final) for LAMP’s total investments was 18 days and 56 days, respectively, at June 30, 2022.
5. Foreign currency risk – Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the Board of Directors. LAMP, Inc. is not registered with the SEC as an investment company. If you have any questions contact the LAMP, Inc. administrative office at 800-249-5267.

For purposes of the statement of cash flows, the Sheriff considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. DUE FROM OTHER GOVERNMENTAL UNITS:

Amounts due from other governmental units at June 30, 2022, consist of the following:

St. Bernard Parish Government	\$ 24,177
34th JD District Attorney	10,126
State of Louisiana	152,550
U.S. Government:	
Federal grants	1,521,108
Prisoner care	271,500
Total	<u>\$ 1,979,461</u>

4. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2022, was as follows:

	<u>Balance</u> <u>July 01, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Land and building improvements	\$ 5,523,975	\$ -	\$ -	\$ 5,523,975
Vehicles	5,708,071	528,056	790,522	5,445,605
Boats and equipment	534,119	-	11,220	522,899
Office furniture and equipment	3,107,617	40,375	75,198	3,072,794
Law enforcement weapons and communications equipment	3,704,250	93,295	15,714	3,781,831
Total	<u>18,578,032</u>	<u>661,726</u>	<u>892,654</u>	<u>18,347,104</u>
Less: accumulated depreciation				
Land and building improvements	929,687	136,824	-	1,066,511
Vehicles	4,617,043	462,111	762,181	4,316,973
Boats and equipment	469,423	19,290	11,220	477,493
Office furniture and equipment	1,888,571	329,180	75,198	2,142,553
Law enforcement weapons and communications equipment	2,963,319	411,410	15,714	3,359,015
Total	<u>10,868,043</u>	<u>1,358,815</u>	<u>864,313</u>	<u>11,362,545</u>
Net capital assets	<u>\$ 7,709,989</u>	<u>\$ (697,089)</u>	<u>\$ 28,341</u>	<u>\$ 6,984,559</u>

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

5. AD VALOREM TAXES:

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31 becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. Bernard Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2022, law enforcement taxes applicable to the Sheriff's General Fund were levied at the rate of 31.78 mills on property with net assessed valuations totaling \$394,058,003. Total law enforcement taxes levied during 2022 were \$12,523,292.

6. PENSION PLAN:

Plan Description

Substantially all employees of the St. Bernard Parish Sheriff's Office are members of the Louisiana Sheriffs' Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

Benefits Provided

Retirement Benefits

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

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Benefits Provided (Continued)

Retirement Benefits (Continued)

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

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

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

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

Disability Benefits

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

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Benefits Provided (Continued)

Survivor Benefits

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

Deferred Benefits

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

Back Deferred Retirement Option Plan (Back-DROP)

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

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Benefits Provided (Continued)

Permanent Benefit Increases / Cost of Living Adjustments

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

Contributions

Plan members are required by state statute to contribute 10.25% of their annual covered salary and the St. Bernard Parish Sheriff is required to contribute at an actuarially determined rate. For the year ended June 30, 2022, the employer contribution rate is 12.25% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the St. Bernard Parish Sheriff are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. Bernard Parish Sheriff’s contributions to the System for the year ending June 30, 2022, were \$1,840,252.

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

At June 30, 2022, the Sheriff reported an asset for the Louisiana Sheriffs' Pension and Relief Fund of \$(983,456) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liabilities used to calculate the net pension liability (asset) were determined by actuarial valuations as of that date. The Sheriff’s proportion of the net pension liability (asset) for the retirement system was based on a projection of the Sheriff’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Sheriff’s proportion for the Louisiana Sheriffs' Pension and Relief Fund was 1.984574%. This reflects an increase for the Louisiana Sheriffs' Pension and Relief Fund of 0.141953% from the Sheriff’s proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Sheriff recognized pension expense, for which there were no forfeitures, as follows:

	<u>Pension Expense</u>
SPRF	<u>\$ 478,872</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	SPRF Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,369,378
Changes of assumptions	3,026,346	-
Net difference between projected and actual earnings on pension plan investments	-	8,881,023
Changes in proportion and differences between employer and non-employer contributions and proportionate share of contributions	717,825	41,002
Employer and non-employer contributions subsequent to the measurement date	1,840,252	-
Total	<u>\$ 5,584,423</u>	<u>\$ 10,291,403</u>

During the year ended June 30, 2022, employer contributions totaling \$1,840,252 were made subsequent to the measurement date for the Louisiana Sheriffs' Pension and Relief Fund. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized in pension expense as follows:

	<u>SPRF</u>
Year ending June 30:	
2023	\$ (1,256,161)
2024	(1,131,229)
2025	(1,576,774)
2026	(2,583,068)
Total	<u>\$ (6,547,232)</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Actuarial Assumptions

The total pension liability for the Louisiana Sheriffs' Pension and Relief Fund in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

	SPRF
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Expected remaining service lives	2021 - 5 years, 2020 - 6 years, 2019 - 6 years, 2018 - 6 years, 2017 - 7 years, 2016 - 7 years, 2015 - 6 years
Investment rate of return	6.90%, net of investment expense
Inflation rate	2.50% per annum
Projected salary increases	5.00% (2.50% Inflation, 2.50% merit)
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale Pub-2010 Public Retirement Plans Mortality Table for Safety-Below Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety-Below Median Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.
Termination and disability	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2019) experience study of the System's members.

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

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Actuarial Assumptions (Continued)

Estimates of arithmetic real rates of return for each major asset class based on the Louisiana Sheriffs' Pension and Relief Fund's target asset allocation as of June 30, 2021, are as follows:

<u>Asset Class</u>	Long-Term Expected Rate of Return		
	Target Asset	Real Return	Long-Term Expected
	Allocation	Arithmetic Basis	Portfolio Real
	<u>SPRF</u>	<u>SPRF</u>	<u>SPRF</u>
Equity securities	62%	7.08%	4.39%
Fixed income	25%	1.44%	0.36%
Alternative investments	<u>13%</u>	4.38%	<u>0.57%</u>
Totals	100%		5.32%
Inflation			<u>2.55%</u>
Expected arithmetic nominal return			7.87%

Discount Rates

The discount rate used to measure the total pension liability for the Louisiana Sheriffs' Pension and Relief Fund was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Louisiana Sheriffs' Pension and Relief Fund's actuary. Based on those assumptions, the Louisiana Sheriffs' Pension and Relief Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Sheriff's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rates

The following presents the Sheriff's proportionate share of the net pension liability (asset) using the discount rate of 6.90%, as well as what the Sheriff's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage-point lower (5.90%) or one percentage-point higher (7.90%) than the current rate:

	Current		
	1.0% Decrease	Discount Rate	1.0% Increase
	5.90%	6.90%	7.90%
SPRF	\$ 10,798,245	\$ (983,456)	\$ (10,805,637)

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. PENSION PLAN: (Continued)

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Sheriff recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2022, the Sheriff recognized revenue as a result of support received from non-employer contributing entities of \$916,708 for its participation in the Louisiana Sheriffs' Pension and Relief Fund.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Louisiana Sheriffs' Pension and Relief Fund's 2021 Annual Financial Report, which may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana, 70802, or by calling (225) 219-0500.

Payables to the Pension Plan

At June 30, 2022, \$134,045 was payable to the Louisiana Sheriffs' Pension and Relief Fund for June 2022 employee and employer legally required contributions.

7. DEFERRED COMPENSATION PENSION FUND:

All employees of the St. Bernard Parish Sheriff are required by law to contribute to a pension fund. Those employees who are not sheriffs or deputies and therefore not eligible to participate in the Louisiana Sheriffs' Pension and Relief Fund (see note 6), have the option of participating in the Louisiana Public Employees' Deferred Compensation Plan, or the Public Employees Benefit Services Corporation Deferred Compensation Program.

The Louisiana Public Employees' Deferred Compensation Plan (the "Plan") was adopted by the Louisiana Deferred Compensation Commission, effective September 15, 1982. The Plan was established in accordance with Louisiana Revised Statutes 42:1301 through 42:1308 and section 457 of the Internal Revenue Code of 1954, as amended, for the purpose of providing supplemental retirement income to employees and independent contractors by permitting such individuals to defer a portion of compensation to be invested and distributed in accordance with the terms of the Plan.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

7. DEFERRED COMPENSATION PENSION FUND: (Continued)

The plan document states that no fund or other account shall be established to provide benefits under the terms of the Plan. All compensation deferred under the Plan, all property and rights purchased with such amounts and all income attributed to such amounts, property or rights shall be held for the exclusive benefit of participants and their beneficiaries. The maximum amount of compensation, which may be deferred during a calendar year, is limited by the Internal Revenue Code. The amount of the compensation deferred is reduced by compensation excludible from a participant's gross income under Internal Revenue Code Section 403(b), if any, which is attributable to contributions made by the employer.

The following is a summary of the payrolls covered and contributions made to the plan during the year ended June 30, 2022:

Total covered payroll		<u>\$ 7,200</u>
	<u>Percent</u>	<u>Amount</u>
Contributions:		
Employer	5.0%	\$ 360
Employee	7.5%	540
Employee Additional		<u>1,200</u>
Total		<u>\$ 2,100</u>

The Public Employees Benefit Services Corporation Deferred Compensation Program (the Program) was adopted effective March 1, 1996. The Program was established in accordance with section 457 of the Internal Revenue Code of 1954, as amended, for the purpose of providing supplemental retirement income to employees by permitting such individuals to defer a portion of compensation to be invested and distributed in accordance with the terms of the Program.

All assets and income are held in a trust custodial account for the exclusive benefit of the participants and their beneficiaries. The maximum amount of compensation, which may be deferred during a calendar year, is limited by the Internal Revenue Code.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

7. DEFERRED COMPENSATION PENSION FUND: (Continued)

The following is a summary of the payrolls covered, deferrals, and employer contributions made to the Program during the fiscal year ended June 30, 2022:

Total covered payroll		<u>\$165,030</u>
	<u>Percent</u>	<u>Amount</u>
Contributions:		
Employer	5.0%	\$ 8,251
Employee	7.5%	12,377
Employee Additional		<u>26,626</u>
Total		<u>\$ 47,255</u>

Additional information relating to benefits payable under the Plans is provided in the Plan documents.

8. CHANGES IN CUSTODIAL FUND BALANCES:

A summary of changes in custodial fund balances due to taxing bodies and others follows:

	Tax Collector <u>Fund</u>	Civil <u>Fund</u>	Cash Bond <u>Fund</u>	Inmate Deposit <u>Fund</u>	<u>Total</u>
Balance, July 1, 2021	\$ 5,296,703	\$ 191,660	\$ 323,500	\$ 55,408	\$ 5,867,271
Additions	114,100,371	729,763	209,023	313,717	115,352,874
Reductions	<u>113,419,371</u>	<u>902,634</u>	<u>61,924</u>	<u>307,836</u>	<u>114,691,765</u>
Balance, June 30, 2022	<u>\$ 5,977,703</u>	<u>\$ 18,789</u>	<u>\$ 470,599</u>	<u>\$ 61,289</u>	<u>\$ 6,528,380</u>

9. LITIGATION AND CLAIMS:

At June 30, 2022, the St. Bernard Parish Sheriff is a defendant in several lawsuits seeking damages. These lawsuits are in various stages of resolution; and since these cases and claims are characterized by conditions and complexities, estimation of the ultimate liability is extremely difficult. In cases where judgments have been reached, Louisiana courts have ruled that plaintiffs cannot seize the assets of the Sheriff. Accordingly, no provision for any liability that may result is made in the financial statements until the funds are appropriated by the Sheriff.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

9. LITIGATION AND CLAIMS: (Continued)

The Sheriff was a defendant in a case that was settled in December 2013 in which the Sheriff was liable for \$650,000. The settlement called for the first payment of \$100,000 that was paid in December 2013. The remaining portion was to be paid over a 10-year period starting with \$100,000 being due in December 2014. The remaining \$450,000 was to be paid over the following 9 years at \$50,000 a year, due each December. The entire liability of \$650,000 was accrued on the Sheriff's books at June 30, 2013. At June 30, 2022, \$100,000 of the liability remained on the Sheriff's books, with \$50,000 being due within the next year.

In June 2019, the Sheriff, in its role as the Ex Officio Tax Collector of St. Bernard Parish, reached a settlement agreement with a taxpayer for the refund of sales and use taxes that were overpaid to taxing authorities in prior years. The settlement agreement calls for a \$1,000,000 settlement to be paid to the taxpayer in sixty (60) equal monthly installments of \$16,667, with the first installment due on July 31, 2019. The monthly settlement payments are considered reductions (refunds) within the Sheriff's Tax Collector Fund. Monthly settlement payments totaling \$200,000 were made in the year ended June 30, 2022.

10. RISK MANAGEMENT:

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage which includes deductibles. Currently, the St. Bernard Parish Sheriff is a defendant in several insured claims in various stages of resolution which may be subject to the deductible limits. It is possible that the St. Bernard Parish Sheriff could have exposure of up to \$300,000 for the claims.

11. DUE TO/FROM OTHER FUNDS:

The composition of interfund balances as of June 30, 2022, is as follows:

	<u>Due From</u>	<u>Due To</u>
	<u>Other Funds</u>	<u>Other Funds</u>
General Fund	\$ 1,794,761	\$ 1,694
Fiduciary Fund:		
Tax Collector Fund	1,694	1,794,761
	<u>\$ 1,796,455</u>	<u>\$ 1,796,455</u>

The balance due to the General Fund from the Tax Collector Fund results from sales taxes, ad valorem taxes, and other taxes for the months of May and June 2022.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

12. FEDERAL ASSISTANCE:

The Sheriff participates in certain federal financial assistance programs. The programs have been audited in accordance with (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* in prior years. Audits of prior years have not resulted in any disallowance of costs; however, the grantor agency may provide for further examinations. Based on past experience, the Sheriff believes that further examinations would not result in any material disallowed costs.

The Sheriff incurred various emergency expenses related to Hurricane Katrina, various other hurricanes and tropical systems, and the COVID-19 Pandemic. In addition, all buildings and facilities owned by the Sheriff received significant storm damage. Most of these costs are eligible for reimbursement through the Federal Emergency Management Agency's (FEMA) Public Disaster Assistance Program. For the year ended June 30, 2022, claims totaling \$878,710 were filed with FEMA. At June 30, 2022, \$1,521,108 has been recorded as a receivable for current and prior year projects. These amounts relate to project worksheets where the work has been completed and the total loss can be estimated. Many projects are still ongoing as of the date of this report. The total amount of claims may ultimately be more or less than the amount noted due to various uncertainties (i.e. scope of loss, construction costs, etc.).

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB):

Plan Description:

The St. Bernard Parish Sheriff provides certain continuing health care and life insurance benefits for its retired employees.

The St. Bernard Parish Sheriff's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees, and retirees' rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided:

Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree only (not dependents). The employer also pays for life insurance coverage after retirement. Employees are covered by a retirement system whose retirement eligibility provisions are age 55 and 15 years of service.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Benefits Provided: (Continued)

Life insurance coverage is continued to retirees and the employer pays for the first \$10,000 of coverage. The retiree may elect to "pay" for the excess over \$10,000 while the employer pays for the first \$10,000 of life insurance after retirement. Both are based on an unblended rate applicable to retirees as required by GASB 75 and there is not any implied subsidy to be added to the OPEB cost for life insurance. Based on prior experience with the current retiree group, it has been assumed that one-third of retirees elect to continue the excess insurance coverage over \$10,000.

Employees Covered by Benefit Terms:

At July 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	34
Active employees	309
	343

Total OPEB Liability:

The Sheriff's total OPEB liability of \$15,998,736 was measured as of July 1, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs:

The total OPEB liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00%, including inflation
Discount rate	2.21% annually (Beginning of Year to determine ADC) 3.54% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.50% annually for ten years, 4.50% annually thereafter
Mortality	SOA RP-2000 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2011 to June 30, 2021.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Changes in the Total OPEB Liability:

	Total OPEB <u>Liability</u>
Balance at June 30, 2021	\$ 14,896,261
Changes for the year:	
Service cost	443,304
Interest	318,580
Differences between expected and actual experience	5,050,070
Changes of assumptions	(4,415,144)
Benefit payments, net transfers, and direct expenses	(294,335)
Net changes	1,102,475
Balance at June 30, 2022	\$ 15,998,736

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1.0% Decrease (2.54%)	Current Discount Rate (3.54%)	1.0% Increase (4.54%)
Total OPEB liability	\$ 19,335,325	\$ 15,998,736	\$ 13,423,319

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Healthcare Cost Trend Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	\$ 13,747,280	\$ 15,998,736	\$ 18,942,110

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

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

For the year ended June 30, 2022, the Sheriff recognized OPEB expense of \$914,651. At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Demographic	\$ 4,929,669	\$ (1,730,448)
Changes in assumptions	<u>1,517,038</u>	<u>(3,784,409)</u>
Total	<u>\$ 6,446,702</u>	<u>\$ 5,514,857</u>

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

Years ending	
2023	\$ 152,767
2024	152,767
2025	152,767
2026	152,767
2027	236,862
Thereafter	<u>83,920</u>
	<u>\$ 931,850</u>

As of June 30, 2022, the Sheriff had no outstanding payable to the OPEB plan.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

14. EX-OFFICIO TAX COLLECTOR:

The amount of cash on hand at June 30, 2022, relating to ad valorem taxes and sales taxes was \$6,414,645. The bank balances of the Tax Collector Fund at June 30, 2022, consisted of:

Ad Valorem Taxes	\$	884,110
Sales Taxes		5,161,027
Other		369,508
Total	\$	6,414,645

The book balances of the Tax Collector Fund at June 30, 2022, consisted of:

Ad Valorem Taxes	\$	313,716
Sales Taxes		5,160,614
Other		366,859
Total	\$	5,841,189

The amount of ad valorem taxes collected and distributed during the year ended June 30, 2022, by taxing authority was as follows:

	<u>Millage</u>	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
St. Bernard Parish Assessor	1.90	\$ 740,825	\$ 1,162	\$ 739,663
St. Bernard Parish Drainage, Pumps, Levee	8.00	3,021,752	4,894	3,016,858
St. Bernard Fire District Parish Wide	20.85	7,875,441	12,755	7,862,686
St. Bernard Parish Garbage District	3.12	1,178,483	1,909	1,176,574
St. Bernard Parish Health District	0.63	237,967	385	237,582
Lake Borgne Levee District	7.12	2,686,684	4,356	2,682,328
St. Bernard Parish Library	3.78	1,427,777	2,313	1,425,464
St. Bernard Parish Lighting District	1.25	469,595	765	468,830
St. Bernard Parish Government	2.87	1,084,057	1,756	1,082,301
St. Bernard Parish Sheriff	31.78	12,132,869	19,442	12,113,427
St. Bernard Port, Harbor, & Terminal District	3.81	1,439,108	2,331	1,436,777
St. Bernard Parish Road District	3.12	1,178,483	1,908	1,176,575
St. Bernard Parish Recreation District	2.22	838,538	1,358	837,180
St. Bernard Parish School District	47.61	15,906,367	25,760	15,880,607
St. Bernard Parish Senior Citizens Center	0.96	362,610	587	362,023
Louisiana Tax Commission	0.70	30,753	-	30,753
St. Bernard Parish Grass Liens	0.00	107,831	-	107,831
St. Bernard Parish Fire District #1	7.58	2,314,661	3,949	2,310,712
St. Bernard Parish Fire District #2	8.53	613,051	775	612,276
Total		\$ 53,646,852	\$ 86,405	\$ 53,560,447

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

14. EX-OFFICIO TAX COLLECTOR: (Continued)

The amount of ad valorem taxes assessed and uncollected (delinquent) is as follows:

St. Bernard Parish Assessor	\$ 1,269
St. Bernard Parish Drainage, Pumps, Levees	5,345
St. Bernard Fire District Parish Wide	13,931
St. Bernard Parish Garbage District	2,085
St. Bernard Parish Health District	421
Lake Borgne Levee District	4,757
St. Bernard Parish Library	2,526
St. Bernard Parish Lighting District	835
St. Bernard Parish Government	1,918
St. Bernard Parish Sheriff	21,233
St. Bernard Port, Harbor, & Terminal District	2,546
St. Bernard Parish Road District	2,085
St. Bernard Parish Recreation District	1,483
St. Bernard Parish School District	28,135
St. Bernard Parish Senior Citizens Center	641
St. Bernard Parish Grass Liens	190,508
St. Bernard Parish Fire District #1	959
St. Bernard Parish Fire District #2	4,620
Total	\$ 285,297

The amount of revenue sharing and sales taxes collected and distributed during the year ended June 30, 2022, by taxing authority are as follows:

	<u>Total</u>	<u>Collection</u>	<u>Final</u>
	<u>Collections</u>	<u>Cost</u>	<u>Distribution</u>
St. Bernard Parish Assessor	\$ 9,079	\$ -	\$ 9,079
St. Bernard Parish Garbage District	19,528	-	19,528
St. Bernard Parish Hospital Service District	3,944	-	3,944
St. Bernard Parish Library	23,660	-	23,660
St. Bernard Parish Lighting District	7,284	-	7,284
St. Bernard Parish Government	20,977,822	1,676,789	19,301,033
St. Bernard Parish Road District	19,528	-	19,528
St. Bernard Parish Recreation District	13,895	-	13,895
St. Bernard Parish School District	21,044,669	1,257,591	19,787,078
St. Bernard Parish Fire District	18,353	-	18,353
St. Bernard Parish Sheriff	5,577,087	-	5,577,087
Lake Borgne Levee District	163,000	-	163,000
St. Bernard Port, Harbor, & Terminal District	125,000	-	125,000
St. Bernard Parish Sewer and Water District	5,239,964	419,197	4,820,767
Total	\$ 53,242,813	\$ 3,353,577	\$ 49,889,236

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

15. CHANGES IN LONG-TERM LIABILITIES:

The following is a summary of the changes in the Sheriff's long-term liabilities for the year ended June 30, 2022:

	Balance			Balance	Amounts
	July 01, 2021	Additions	Deletions	June 30, 2022	Due Within
					One Year
OPEB payable	\$ 14,896,261	\$ 1,102,475	\$ -	\$ 15,998,736	\$ -
Legal settlement	100,000	-	50,000	50,000	50,000
Net pension liability (asset)	12,753,062	5,760,520	19,497,038	(983,456)	-
Total long-term liabilities	<u>\$ 27,749,323</u>	<u>\$ 6,862,995</u>	<u>\$ 19,547,038</u>	<u>\$ 15,065,280</u>	<u>\$ 50,000</u>

REQUIRED SUPPLEMENTARY INFORMATION

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 12,500,000	\$ 12,500,000	\$ 12,364,306	\$ (135,694)
Sales taxes	3,800,000	5,000,000	5,499,324	499,324
Intergovernmental revenues:				
Federal and state grants	500,000	500,000	988,796	488,796
State supplemental pay	1,150,000	1,150,000	1,202,876	52,876
State revenue sharing	330,000	330,000	337,123	7,123
Video poker	400,000	400,000	818,253	418,253
Fees, charges, and commissions for services:				
Commissions:				
Sales taxes, licenses, etc.	2,600,000	3,275,000	4,022,667	747,667
Prisoner care and maintenance	2,100,000	2,100,000	1,404,994	(695,006)
Civil and criminal fees and court costs	750,000	600,000	502,662	(97,338)
Detail income	600,000	500,000	523,942	23,942
Bond forfeitures	-	-	35,951	35,951
Interest	50,000	5,000	1,039	(3,961)
Other	600,000	600,000	1,382,909	782,909
Total revenue	<u>25,380,000</u>	<u>26,960,000</u>	<u>29,084,842</u>	<u>2,124,842</u>
Expenditures:				
Current				
Public safety:				
Personnel services and related benefits	20,500,000	21,680,000	21,728,781	(48,781)
Operating services	3,100,000	3,500,000	3,369,611	130,389
Materials and supplies	1,000,000	1,000,000	1,413,562	(413,562)
Travel and other charges	30,000	30,000	46,580	(16,580)
Capital outlay	550,000	550,000	661,725	(111,725)
Miscellaneous	150,000	150,000	403,222	(253,222)
Total expenditures	<u>25,330,000</u>	<u>26,910,000</u>	<u>27,623,481</u>	<u>(713,481)</u>
Excess of revenues over expenditures	<u>50,000</u>	<u>50,000</u>	<u>1,461,361</u>	<u>1,411,361</u>
Other financing sources:				
Proceeds from sale of assets	10,000	25,000	77,125	52,125
Total other financing sources	<u>10,000</u>	<u>25,000</u>	<u>77,125</u>	<u>52,125</u>
Excess of revenues and other financing sources over expenditures	60,000	75,000	1,538,486	1,463,486
Fund balances, beginning	9,461,115	9,451,115	14,580,694	(5,129,579)
Fund balance, ending	<u>\$ 9,521,115</u>	<u>\$ 9,526,115</u>	<u>\$ 16,119,180</u>	<u>\$ (3,666,093)</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE SHERIFF'S
 OPEB LIABILITY AND RELATED RATIOS
FOR THE FIVE YEARS ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB liability:			
Service cost	\$ 443,304	\$ 411,090	\$ 307,567
Interest	318,580	293,633	467,728
Differences between expected and actual experience	5,050,070	595,319	(2,690,758)
Changes of assumptions	(4,415,144)	442,178	2,102,093
Benefit payments, net transfers and direct expenses	<u>(294,335)</u>	<u>(265,043)</u>	<u>(262,414)</u>
Net change in total OPEB liability	1,102,475	1,477,177	(75,784)
Total OPEB liability - beginning	<u>14,896,261</u>	<u>13,419,084</u>	<u>13,494,868</u>
Total OPEB liability – ending	<u><u>\$15,998,736</u></u>	<u><u>\$14,896,261</u></u>	<u><u>\$13,419,084</u></u>
 Covered-employee payroll	 \$15,153,344	 \$11,865,125	 \$11,408,774
 Total OPEB liability as a percentage of covered- employee payroll	 105.58%	 125.55%	 117.62%
	<u>2019</u>	<u>2018</u>	
Total OPEB liability:			
Service cost	\$ 397,958	\$ 385,779	
Interest	439,313	424,215	
Differences between expected and actual experience	222,695	(261,757)	
Changes of assumptions	-	-	
Benefit payments	<u>(233,768)</u>	<u>-</u>	
Net change in total OPEB liability	826,198	548,237	
Total OPEB liability - beginning	<u>12,668,670</u>	<u>12,120,433</u>	
Total OPEB liability – ending	<u><u>\$13,494,868</u></u>	<u><u>\$12,668,670</u></u>	
 Covered-employee payroll	 \$12,836,320	 \$12,836,320	
 Total OPEB liability as a percentage of covered- employee payroll	 105.13%	 98.69%	

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

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SHERIFF'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY (ASSET)
FOR THE NINE YEARS ENDED JUNE 30, 2022

Fiscal Year	Sheriff's Proportion of the Net Pension Liability (Asset)	Sheriff's Proportionate Share of the Net Pension Liability (Asset)	Sheriff's Covered Payroll	Sheriff's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability (Asset)
----------------	--	--	---------------------------------	--	---

SHERIFFS' PENSION AND RELIEF FUND

2022	1.984574%	\$ (983,456)	\$ 14,458,196	-6.8%	101.0%
2021	1.842621%	\$ 12,753,062	\$ 13,602,995	93.8%	84.7%
2020	1.821124%	\$ 8,614,333	\$ 12,729,582	67.7%	88.9%
2019	1.837578%	\$ 7,046,466	\$ 12,647,756	55.7%	90.4%
2018	1.760108%	\$ 7,621,749	\$ 12,191,637	62.5%	88.5%
2017	1.723406%	\$ 10,938,277	\$ 11,770,009	92.9%	82.1%
2016	1.723741%	\$ 7,683,605	\$ 11,428,858	67.2%	86.6%
2015	1.713395%	\$ 6,785,053	\$ 10,642,010	63.8%	87.3%
2014	1.678593%	\$ 11,249,837	\$ 10,748,851	104.7%	77.2%

The schedule is intended to report information for ten years. Additional years will be displayed as they become available.

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

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SHERIFF'S PENSION CONTRIBUTIONS
FOR THE NINE YEARS ENDED JUNE 30, 2022

<u>Fiscal</u> <u>Year</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	Contributions in Relation to <u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Sheriff's</u> <u>Covered</u> <u>Payroll</u>	Contributions as a Percentage of <u>Covered</u> <u>Payroll</u>
<u>SHERIFFS' PENSION AND RELIEF FUND</u>					
2022	\$ 1,840,252	\$ 1,840,252	\$ -	\$ 15,022,424	12.25%
2021	\$ 1,771,174	\$ 1,771,174	\$ -	\$ 14,458,196	12.25%
2020	\$ 1,666,370	\$ 1,666,370	\$ -	\$ 13,602,995	12.25%
2019	\$ 1,559,378	\$ 1,559,378	\$ -	\$ 12,729,582	12.25%
2018	\$ 1,612,561	\$ 1,612,561	\$ -	\$ 12,647,756	12.75%
2017	\$ 1,615,396	\$ 1,615,396	\$ -	\$ 12,191,637	13.25%
2016	\$ 1,618,380	\$ 1,618,380	\$ -	\$ 11,770,009	13.75%
2015	\$ 1,628,512	\$ 1,628,512	\$ -	\$ 11,428,858	14.25%
2014	\$ 1,478,173	\$ 1,478,173	\$ -	\$ 10,642,010	13.89%

The schedule is intended to report information for ten years. Additional years will be displayed as they become available.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

1. BUDGETARY BASIS OF ACCOUNTING

The General Fund budgetary comparison schedule has been presented on the modified accrual basis of accounting, which is consistent with the accounting principles generally accepted in the United States of America.

2. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 14 to the financial statements.

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

Changes in Benefit Terms

There were no changes in benefit terms during any of the years presented.

Changes of Assumptions

Year Ended	June 30, 2022	June 30, 2021	June 30, 2020
Valuation Date	July 01, 2021	July 01, 2020	July 01, 2019
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate	3.54% end of year	2.16%, annually	2.21%, annually
Expected Remaining Service Lives	Investment - 5 years Economic/demographic - 7 years Assumption changes/inputs - 7 years	Investment - 5 years Economic/demographic - 7 years Assumption changes/inputs - 7 years	Investment - 5 years Economic/demographic - 7 years Assumption changes/inputs - 7 years
Salary Increases	4.00%, including inflation	4.00%, including inflation	4.00%, including inflation
Healthcare Cost Trend Rates	5.50%, annually for 10 years 4.50%, annually thereafter	5.50%, annually for 10 years 4.50%, annually thereafter	5.50%, annually for 10 years 4.50%, annually thereafter
Mortality Rate	RP-2000 combined without projection	SOA RP-2000 Table	RP-2000 combined without projection

Year Ended	June 30, 2019	June 30, 2018
Valuation Date	July 01, 2017	July 01, 2017
Inflation Rate	2.50%	2.50%
Discount Rate	3.50%, annually	3.50%, annually
Expected Remaining Service Lives	Investment - 5 years Economic/demographic - 7 years Assumption changes/inputs - 7 years	Investment - 5 years Economic/demographic - 7 years Assumption changes/inputs - 7 years
Salary Increases	4.00%, including inflation	4.00%, including inflation
Healthcare Cost Trend Rates	Flat 5.50%, annually	Flat 5.50%, annually
Mortality Rate	94 GAR projected to 2002, 50% unisex blend	94 GAR projected to 2002, 50% unisex blend

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

3. LOUISIANA SHERIFFS' PENSION AND RELIEF FUND (PENSION)

Changes in Benefit Terms

There were no changes to benefit terms noted for the measurement period ended June 30, 2020 – June 30, 2022.

The following changes in benefit terms were noted during the measurement period ended June 30, 2019:

- Act 77 of the 2019 Regular Session of the Louisiana Legislature clarifies rules related to permanent benefit increases (previously referred to as cost of living increases). The statutes provide for two permanent benefit increase types and specifically provide that the system may not grant both permanent benefit increases in the same fiscal year. The first permanent benefit increase type, when payable, may not exceed two and one-half percent of the normal monthly benefit payable to the retiree, disability recipient, or survivor on the date the increase is granted. In addition, the dollar amount of the increase may not exceed five percent of the average monthly benefit in payment to service retirees as of the end of the preceding fiscal year. The second permanent benefit increase type, when payable, provides a permanent benefit increase of two percent of the monthly benefit to all retirees, disability recipients, and survivors who are at least sixty-five years of age on the date the increase is granted.

There were no changes in benefit terms noted for the measurement period ended June 30, 2018.

There were no changes in benefit terms noted for the measurement period ended June 30, 2017.

The following changes in benefit terms were noted during the measurement period ended June 30, 2016:

- Act 323 of the 2016 Regular Session of the Louisiana Legislature added R.S. 11:2178(D)(4) related to disability benefits, retirement benefits, and death benefits of the Sheriffs' Pension and Relief Fund. Effective June 30, 2016, the Act provided the following:
 - That when a member dies in the line of duty because of an intentional violent act the surviving spouse or minor children or both shall be eligible to receive death benefit in accordance with new law.
 - That the surviving spouse shall be eligible to receive the greater of 50% of the member's final average compensation (FAC) or a reduced benefit as if the member had retired on the date of death.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

3. LOUISIANA SHERIFFS' PENSION AND RELIEF FUND (PENSION) (Continued)

Changes in Benefit Terms (Continued)

- That if the member leaves a child or children in addition to the surviving spouse, the child or children shall be eligible to receive a benefit equaling the difference between the benefit received by the spouse and 100% of the member's FAC. The difference shall be divided equally among the children. New law further provides that in no case shall the benefit total be more than 100% of the member's FAC.
- That when a child reaches the age of 18, the benefit shall cease unless the child is enrolled as a full-time student in good standing at a board-approved or accredited school, college, or university and is under the age of 23.
- That in the event of the death of the surviving spouse while any eligible surviving child or children are still eligible to receive a benefit, the surviving spouse's portion of the death benefit shall be divided equally amongst all eligible children.
- That if there is no surviving spouse, any child or children shall be eligible to receive 100% of the member's FAC divided equally among the surviving children.
- That if there is no surviving spouse, the benefit payable to the minor child or children shall be paid to a trust satisfactory to the Fund and established by law.

The following changes in benefit terms were noted during the measurement period ended June 30, 2015:

- Act 136 of the 2015 Regular Session of the Louisiana Legislature amended R.S. 11:2175(C)(3)(c) and 2175.2(A)(3) and (C), and repealed R.S. 11:105(A)(5) related to Sheriffs' Pension and Relief Fund. Effective June 30, 2015, the Act provided the following:
 - For the purchase of a maximum of 5 years of certain service credits at the time of retirement. Prior law allowed the purchase of a maximum of 3 years of this service credit. Law requires the purchaser to pay the actuarial cost of the benefits purchased.

There were no changes in benefit terms noted for the measurement period ended June 30, 2014.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

3. LOUISIANA SHERIFFS' PENSION AND RELIEF FUND (PENSION) (Continued)

Changes of Assumptions

Valuation Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Inflation Rate	2.50% per annum	2.50% per annum	2.50% per annum	2.60% per annum
Investment Rate of Return (Discount Rate)	6.90% per annum	7.00% per annum	7.10% per annum	7.25% per annum
Expected Remaining Service Lives	5 years	6 years	6 years	6 years
Salary Increases	5.00% (2.50% inflation, 2.50% merit)	5.00% (2.50% inflation, 2.50% merit)	5.50% (2.50% inflation, 3.00% merit)	5.50% (2.60% inflation, 2.90% merit)
Experience Study	07/01/2014 - 06/30/2019 experience study	07/01/2014 - 06/30/2019 experience study	07/01/2009 - 06/30/2014 experience study	07/01/2009 - 06/30/2014 experience study
Mortality Rate	Pub-2010 with full generational projection using MP2019 scale Sex Distinct Tables Pub-2010 Public Retirement Mortality Table for Safety Disabled Retirees with full generational projection using MP2019 scale	Pub-2010 with full generational projection using MP2019 scale Sex Distinct Tables Pub-2010 Public Retirement Mortality Table for Safety Disabled Retirees with full generational projection using MP2019 scale	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

3. LOUISIANA SHERIFFS' PENSION AND RELIEF FUND (PENSION) (Continued)

Changes of Assumptions (continued)

Valuation Date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Inflation Rate	2.775% per annum	2.875% per annum	2.875% per annum	3.00% per annum
Investment Rate of Return (Discount Rate)	7.40% per annum	7.50% per annum	7.60% per annum	7.70% per annum
Expected Remaining Service Lives	7 years	7 years	6 years	6 years
Salary Increases	5.50% (2.775% inflation, 2.725% merit)	5.50% (2.875% inflation, 2.625% merit)	5.50% (2.875% inflation, 2.625% merit)	6.00% (3.00% inflation, 3.00% merit)
Experience Study	07/01/2009 - 06/30/2014 experience study	07/01/2009 - 06/30/2014 experience study	07/01/2009 - 06/30/2014 experience study	07/01/2006 - 06/30/2010 experience study
Mortality Rate	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables RP-2000 Disabled Lives Mortality Table

OTHER SUPPLEMENTARY INFORMATION

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SUPPLEMENTARY INFORMATION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

INTERNAL SERVICE FUNDS DESCRIPTIONS:

Auto Claims Fund

This fund provides coverage for property damage and personal injury cases caused by employees of the Sheriff. Limited coverage is provided through participation in the Louisiana Sheriff's Risk Management Program (a public entity risk pool). This program provides coverage on professional liability cases at the rate of \$100,000/claim and \$500,000/aggregate. For amounts in excess of this coverage, the Sheriff is self-insured. For auto loss claims, the Sheriff is self-insured up to \$50,000 per accident. Excess liability coverage is in effect for all claims over \$50,000, but not exceeding \$2,000,000. All claims are accounted for in this fund.

Medical Claims Fund

This fund pays medical claims of the Sheriff's employees and their covered dependents. The Sheriff is self-insured up to \$85,000 per claim. The Sheriff has a re-insurance policy with a private carrier which provides "stop-loss" coverage for claims exceeding \$85,000. Funding comes from the Sheriff's General Fund and from the charges for premiums collected from employees.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Medical Claims</u>	<u>Auto Claims</u>	<u>Total</u>
ASSETS:			
Current assets:			
Cash	\$ 286,978	\$ 77,080	\$ 364,058
Total assets	<u>286,978</u>	<u>77,080</u>	<u>364,058</u>
LIABILITIES:			
Current liabilities:			
Accounts and other accrued payables	244,643	-	244,643
Total liabilities	<u>244,643</u>	<u>-</u>	<u>244,643</u>
NET POSITION:			
Unrestricted	<u>42,335</u>	<u>77,080</u>	<u>119,415</u>
Total net position	<u>\$ 42,335</u>	<u>\$ 77,080</u>	<u>\$ 119,415</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Medical Claims</u>	<u>Auto Claims</u>	<u>Combined Total</u>
Operating revenues:			
Charges for services	\$ 3,914,363	\$ 80,000	\$ 3,994,363
Total operating revenues	<u>3,914,363</u>	<u>80,000</u>	<u>3,994,363</u>
Operating expenses:			
Public safety:			
Personnel services and related benefits	3,837,570	72,378	3,909,948
Professional services and administrative	<u>83,399</u>	<u>17,500</u>	<u>100,899</u>
Total operating expenses	<u>3,920,969</u>	<u>89,878</u>	<u>4,010,847</u>
Operating income (loss)	(6,606)	(9,878)	(16,484)
Change in net position	(6,606)	(9,878)	(16,484)
Net position, beginning of year	<u>48,941</u>	<u>86,958</u>	<u>135,899</u>
Net position, end of year	<u>\$ 42,335</u>	<u>\$ 77,080</u>	<u>\$ 119,415</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Medical Claims</u>	<u>Auto Claims</u>	<u>Combined Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from user departments and participants	\$ 3,914,363	\$ 80,000	\$ 3,994,363
Cash paid for claims	<u>(3,876,070)</u>	<u>(89,878)</u>	<u>(3,965,948)</u>
Net cash provided (used) by operating activities	<u>38,293</u>	<u>(9,878)</u>	<u>28,415</u>
Net increase (decrease) in cash and cash equivalents	38,293	(9,877)	28,416
Cash and cash equivalents at beginning of the year	<u>248,684</u>	<u>86,958</u>	<u>335,642</u>
Cash and cash equivalents at end of the year	<u>\$ 286,977</u>	<u>\$ 77,081</u>	<u>\$ 364,058</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating loss	\$ (6,606)	\$ (9,878)	\$ (16,484)
Increase in accounts payable	<u>44,899</u>	<u>-</u>	<u>44,899</u>
Net cash provided (used) by operating activities	<u>\$ 38,293</u>	<u>\$ (9,878)</u>	<u>\$ 28,415</u>

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SUPPLEMENTRY INFORMATION
FIDUCIARY FUND TYPE – CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

CUSTODIAL FUNDS DESCRIPTIONS:

Tax Collector Fund

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the Sheriff will serve as the Ex-Officio Tax Collector of the state and parish taxes and fees levied within the parish boundaries. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

Civil Fund

The Civil Fund accounts for funds in connection with civil suits, Sheriff's sales and garnishments, and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Cash Bond Fund

The Cash Bond Fund accounts for the collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

Inmate Deposit Fund

The Inmate Deposit Fund accounts for the receipts and disbursements made to the individual prison inmate accounts.

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 FIDUCIARY FUND TYPE - CUSTODIAL FUNDS
 COMBINING STATEMENT OF NET POSITION
FOR THE YEAR ENDING JUNE 30, 2022

	Tax Collector <u>Fund</u>	Civil <u>Fund</u>	Cash Bond <u>Fund</u>	Inmate Deposit <u>Fund</u>	<u>Total</u>
ASSETS:					
Cash and cash equivalents	\$ 5,841,189	\$ 18,789	\$ 470,599	\$ 61,289	\$ 6,391,866
Due from other funds	1,694	-	-	-	1,694
Due from other taxing authorities	<u>134,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,820</u>
 Total assets	 <u>5,977,703</u>	 <u>18,789</u>	 <u>470,599</u>	 <u>61,289</u>	 <u>6,528,380</u>
 LIABILITIES:					
Due to other funds	1,794,761	-	-	-	1,794,761
Due to taxing bodies, prisoners, and others	<u>4,182,942</u>	<u>18,789</u>	<u>470,599</u>	<u>61,289</u>	<u>4,733,619</u>
 Total liabilities	 <u>5,977,703</u>	 <u>18,789</u>	 <u>470,599</u>	 <u>61,289</u>	 <u>6,528,380</u>
 NET POSITION	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 FIDUCIARY FUND TYPE - CUSTODIAL FUNDS
 COMBINING STATEMENT OF CHANGES IN DEPOSIT BALANCES
 DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Tax Collector Fund</u>	<u>Civil Fund</u>	<u>Cash Bond Fund</u>	<u>Inmate Deposit Fund</u>	<u>Total</u>
Additions:					
Deposits:					
Judicial sales and costs	\$ -	\$ 729,763	\$ -	\$ -	\$ 729,763
Bonds	-	-	209,023	-	209,023
Inmate deposits	-	-	-	313,717	313,717
Taxes, fees, etc., paid to tax collector	114,097,979	-	-	-	114,097,979
Interest	2,392	-	-	-	2,392
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total additions	114,100,371	729,763	209,023	313,717	115,352,874
Reductions:					
Taxes, fees, deposits distributed to taxing bodies and others	112,890,070	902,634	61,924	-	113,854,628
Deposits settled to inmates	-	-	-	307,836	307,836
Other reductions:					
Restitution and refunds	529,301	-	-	-	529,301
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total reductions	113,419,371	902,634	61,924	307,836	114,691,765
Net change	681,000	(172,871)	147,099	5,881	661,109
Deposit balances due to taxing bodies and others:					
Balances, beginning of year	5,296,703	191,660	323,500	55,408	5,867,271
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
BALANCES, END OF YEAR	\$ 5,977,703	\$ 18,789	\$ 470,599	\$ 61,289	\$ 6,528,380
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 JUSTICE FUNDING SCHEDULE COLLECTING/DISBURSING ENTITY
 CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	First Six Month Period ended <u>12/31/2021</u>	Second Six Month Period ended <u>6/30/2022</u>
CASH BASIS PRESENTATION		
Beginning Balance of Amounts Collected	\$ 503,439.86	\$ 527,114.06
Add: Collections		
Civil Fees	138,364.20	412,314.96
Bond Fees	138,141.38	133,690.32
Asset Forfeiture/Sale	69,116.00	7,154.36
Criminal Court Costs/Fees	126,225.06	100,564.07
Criminal Fines	102,973.93	100,091.74
Other	34,330.92	33,016.69
SUBTOTAL COLLECTIONS	<u>\$ 609,151.49</u>	<u>\$ 786,832.14</u>

(Continued)

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 JUSTICE FUNDING SCHEDULE COLLECTING/DISBURSING ENTITY
 CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	First Six Month Period ended <u>12/31/2021</u>	Second Six Month Period ended <u>6/30/2022</u>
LESS: DISBURSEMENTS TO GOVERNMENTS & NONPROFITS		
Thirty Fourth Judicial District Attorney - Criminal Fines	9,864.27	8,739.77
Thirty Fourth Judicial District Attorney - Bond Fees	31,331.61	30,118.84
Thirty Fourth Judicial District Attorney - Criminal Court Costs/Fees	7,451.14	5,784.41
Thirty Fourth Judicial District Attorney-ACT	5,463.74	4,218.24
Thirty Fourth Judicial District Attorney - Asset forfeiture/sales	9,134.26	-
Thirty Fourth Judicial District Court - Probation	19,900.00	26,415.00
Thirty Fourth Judicial District Court - Bond Fees	31,331.61	30,118.84
Thirty Fourth Judicial District Court	25,380.08	20,713.20
Thirty Fourth Judicial District Criminal Court - Asset forfeiture/sales	9,134.26	-
LA State Treasurer, Help Wildlife - Criminal Court Costs/ Fees	225.47	68.18
LA Supreme Court - Criminal Court Costs/Fees	367.94	291.90
Diability Affairs Trust	-	25.00
LA State Treasurer CMIS - Criminal Court Costs/Fees	2,018.67	1,571.47
Indigent Defender Board - Bond Fees	31,331.61	30,118.84
Indigent Defender Board - Criminal Court Costs/Fees	33,988.55	26,316.58
Indigent Defender Board -	1,345.04	883.25
LA Commission on Law Enforcement - Criminal Court Costs/Fees	382.20	348.88
LDHH - THSCI Trust - Criminal Court Costs/fees-L.R.S.	584.92	514.38
LA State Police Applied - Specimen Testing- Criminal Court Costs/Fees	2,692.89	2,701.22
Crimestoppers, Inc.	1,063.75	850.61
DARE	50.00	100.00
Criminal Victims Reparation Fund	6,041.00	6,304.00
Drug Abuse Education & Treatment Fund	2,146.69	3,140.27
St. Bernard Parish Government - Witness Fees - Criminal Court Costs/Fee	15,048.98	11,628.56
St. Bernard Parish Government - Coroner Fees - Criminal Court Costs/Fee	3,714.38	2,927.99
St. Bernard Parish Government - Criminal Fines	62,473.53	55,336.08
St. Bernard Parish Clerk of Court - Criminal Court Costs/Fees	29,262.20	25,227.10
St. Bernard Parish Clerk of Court - Civil Fees	4,214.60	7,014.32

(Continued)

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 JUSTICE FUNDING SCHEDULE COLLECTING/DISBURSING ENTITY
 CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	First Six Month Period ended <u>12/31/2021</u>	Second Six Month Period ended <u>6/30/2022</u>
LESS: AMOUNTS RETAINED BY COLLECTING AGENCY		
St. Bernard Parish Sheriff's - Criminal Fines	\$ 9,864	\$ 8,740
St. Bernard Parish Sheriff's - Criminal Court Costs/Fees	24,200.16	20,826.52
St. Bernard Parish Sheriff's - Bond Fees	44,146.61	43,333.82
St. Bernard Parish Sheriff's - Asset Forfeiture	27,402.76	-
St. Bernard Parish Sheriff's - Civil Fees	<u>14,863.45</u>	<u>40,147.03</u>
LESS DISBURSEMENTS TO INDIVIDUALS/PROCESSING AGENCIES/ATTORNEYS		
Asset Forfeiture Refunds	-	3,967.50
Payments to Processing Agencies/Attorneys	<u>119,056.61</u>	<u>358,348.11</u>
SUBTOTAL DISBURSED / RETAINED	<u>\$ 585,477.29</u>	<u>\$ 776,839.80</u>
Total: Ending Balance of Amounts collected but not Disbursed /Retained	<u>\$ 527,114.06</u>	<u>\$ 537,106.40</u>

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
 TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2022

Agency head name: Sheriff James J. Pohlmann

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 189,811
Benefits - insurance	10,161
Benefits - retirement	23,252
Dues	15,831
Registration fees	385
Conference travel	<u>2,258</u>
	<u>\$ 241,698</u>

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
AFFIDAVIT
FOR THE YEAR ENDED JUNE 30, 2022



St Bernard Parish Sheriff's Office

James Pohlmann, Sheriff

STATE OF LOUISIANA, PARISH OF ST. BERNARD

AFFIDAVIT

JAMES J. POHMANN, SHERIFF OF ST. BERNARD

BEFORE ME, the undersigned authority, personally came and appeared, James J. Pohlmann, the Sheriff of St. Bernard Parish, State of Louisiana, who after being duly sworn, deposed, and said:

The following information is true and correct:

\$6,414,645 is the amount of cash on hand in the tax collector accounts on June 30, 2022;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2021, by taxing authority, are true and correct.

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

A handwritten signature in blue ink, appearing to read 'James J. Pohlmann', written over a horizontal line.

James J. Pohlmann
Sheriff of St. Bernard Parish

SWORN to and subscribed before me, Notary, this 18th day of December 2020, in my office in the City of Chalmette, Louisiana.

A handwritten signature in blue ink, appearing to read 'JoAnn C. Lane', written over a horizontal line.

JoAnn C. Lane
Notary Public
Notary ID or Bar Roll No: 40365

2024 (Commission)

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Homeland Security</u>			
<u>Passed through the State of Louisiana Office of Homeland Security</u>			
<u>and Emergency Preparedness:</u>			
FEMA Public Assistance Grant	97.036	Unknown	\$ 1,098,387
<u>Received directly from the Federal Government</u>			
<u>U.S. Department of Justice</u>			
Drug Enforcement Administration Equitable Sharing Program	16.922	Unknown	<u>26,544</u>
 TOTAL FEDERAL AWARDS			 <u>\$ 1,124,931</u>

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal award activity of the St. Bernard Parish Sheriff under programs of the federal government for the year ended June 30, 2022. The information in the schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of the St. Bernard Parish Sheriff, it is not intended to and does not present the financial position, changes in net assets, of cash flows of the St. Bernard Parish Sheriff.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Schedule of Expenditures of Federal Awards of the St. Bernard Parish Sheriff has been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. Expenditures are recognized when incurred.

3. INDIRECT COST RATE:

The St. Bernard Parish Sheriff has elected not to use 10% de minimis indirect cost rate allowed under the Uniform Guidance.



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Guy L. Duplantier, CPA
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA

Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Paul M. Novak, CPA, AVB, CVA
Wesley D. Wade, CPA

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

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*

December 30, 2022

Honorable James J. Pohlmann
St. Bernard Parish Sheriff
Chalmette, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Bernard Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated December 30, 2022.

Report Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Bernard Parish Sheriff'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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

www.dhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff'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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the St. Bernard Sheriff's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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


New Orleans, Louisiana



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Guy L. Duplantier, CPA
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA

Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Paul M. Novak, CPA, AVB, CVA
Wesley D. Wade, CPA

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

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

December 30, 2022

Honorable James J. Pohlmann
St. Bernard Parish Sheriff
Chalmette, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the St. Bernard Parish Sheriff (the Sheriff)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Sheriff's major federal programs for the year ended June 30, 2022. The Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the St. Bernard Parish Sheriff complied, in all material respects, with the types of compliance requirements referred above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

www.dhmcma.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of the Compliance section our report.

We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Sheriff's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Sheriff's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Sheriff's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Sheriff's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Sheriff's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Sheriff’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the *Uniform Guidance*.

Report On Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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 over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


New Orleans, Louisiana

ST. BERNARD PARISH SHERIFF
 CHALMETTE, LOUISIANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS:

Financial Statements:

Type of auditor's report issued: unmodified

Internal Control over Financial Reporting:

- * Material weakness(es) identified? yes no
- * Significant deficiencies identified that are not considered to be material weaknesses? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards:

Internal control over major programs:

- * Material weakness(es) identified? yes no
- * Significant deficiencies identified that are not considered to be material weaknesses? yes no

Type of auditor's report issued on compliance for the major federal award programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) section 200.516(a):

yes no

Identification of major program:

<u>Name of Program</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Disaster Grants – Public	97.036	\$ 1,098,387

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II - FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENT AUDITING STANDARDS:

2022-01 Journal Entries

Condition and Criteria

The Sheriff's Office maintains its books on the cash basis of accounting. Therefore, journal entries were required as part of the audit for financial statement misstatements related to accruals and property and equipment accounts. Generally accepted auditing standards now consider year-end adjusting entries prepared by the auditor to be a significant deficiency in internal control.

Cause

Statement on Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting control deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical. The Sheriff's Office has relied on its auditor to identify and correct such financial statement misstatements.

Recommendation

Whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, we do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, we do not believe any corrective action is necessary.

2022-02 - Preparation of Financial Statements

Condition and Criteria

The Sheriff's Office does not prepare its financial statements in accordance with generally accepted accounting principles. As is common in small entities, the Sheriff's Office has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

Cause

Statement on Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II - FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS: (Continued)

2022-02 - Preparation of Financial Statements (Continued)

Recommendation

As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, we do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, we do not believe any corrective action is necessary.

Management's Response

Based on the noted findings related to (SAS 15) the Sheriff's office does not believe it would be an efficient use of resources to contract the service to correct the deficiencies for the required journal entries related to the accrual and property and equipment accounts and the preparation of its annual financial statements. These deficiencies are mitigated by the skill, knowledge and experience of the Chief Financial Officer to oversee, review and approve the auditor's preparation of the financial statements.

SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS:

None

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

2021-01 INTERNAL CONTROL – PAYROLL DISBURSEMENTS:

It was noted during the audit that several employee's hurricane related overtime hours paid did not match to the hours recorded to the corresponding time sheets in September of 2020. Upon further investigation, it was noted that the employees were paid for overtime hours worked in addition to overtime hours from the previous pay period, in which they were already paid. This caused an overpayment in payroll and payroll expense to be overstated.

This finding was resolved in the current year.

2021-02 Journal Entries

The Sheriff's Office maintains its books on the cash basis of accounting. Therefore, journal entries were required as part of the audit for financial statement misstatements related to accruals and property and equipment accounts. Generally accepted auditing standards now consider year-end adjusting entries prepared by the auditor to be a significant deficiency in internal control.

Statement on Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting control deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical. The Sheriff's Office has relied on its auditor to identify and correct such financial statement misstatements.

This finding is repeated as 2022-01 in the current year.

2021-03 - Preparation of Financial Statements

The Sheriff's Office does not prepare its financial statements in accordance with generally accepted accounting principles. As is common in small entities, the Sheriff's Office has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

Statement on Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

This finding is repeated as 2022-02 in the current year.

ST. BERNARD PARISH SHERIFF
CHALMETTE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

2021-04 - Federal Awards Reimbursement Submission:

It was noted during the audit that some trip sheets for vehicles were not submitted to FEMA for reimbursement. In addition there were trip sheets submitted for some vehicles that showed more hours than were actually worked by the employee operating those vehicles.

This finding was resolved in the current year.

ST. BERNARD PARISH SHERIFF'S OFFICE
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
FOR THE FISCAL YEAR JULY 1, 2021 – JUNE 30, 2022

ST. BERNARD PARISH SHERIFF'S OFFICE

TABLE OF CONTENTS

JULY 1, 2021 – JUNE 1, 2022

	<u>PAGE</u>
AGREED-UPON PROCEDURES	1 – 12



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Guy L. Duplantier, CPA
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA

Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Paul M. Novak, CPA, AVB, CVA
Wesley D. Wade, CPA

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

New Orleans

1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore

1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma

247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville

5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE FISCAL YEAR JULY 1, 2021 – JUNE 30, 2022

December 28, 2022

Board of Directors
St. Bernard Parish Sheriff's Office
and The Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the St. Bernard Parish Sheriff's Office (the Company) and the Louisiana Legislative Auditor, on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs) for the year ended June 30, 2022. St. Bernard Parish Sheriff's Office's management is responsible for the control and compliance areas identified in the SAUPs.

St. Bernard Parish Sheriff's Office has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. 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:

www.dhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they addressed 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 (R.S.) 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.

Upon applying the agreed-upon procedures above, we noted the following:

- Annual reporting requirement is not included in the Sexual Harassment policy.
- There is no written documentation relating to legal review or monitoring the process in the contracting policy.
- Ethics - there is no written documentation relating to the prohibitions as defined in Louisiana Revised Statute 42:1111-1121. No written documentation relating to actions to be taken if an ethics violations takes place. No written documentation relating to system to monitor possible ethics violations.
- There is no written documentation relating to timely application of all available system and software patches/updates in the disaster recovery/business continuity policy.

We noted no other findings as a result of applying the above agreed-upon procedures.

Board or Finance Committee

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.
 - 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.*
 - 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.

The Sheriff's Office does not have a board of directors.

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

Upon applying the agreed-upon procedures above we noted the following:

- There was no documentation that bank reconciliations were reviewed by management.
- Management has no documentation that it has researched reconciling items that have been outstanding for more than 12 months.
- There was no evidence that the bank reconciliation for one of the accounts was prepared within 2 months of the statement closing date.

Collections (excluding electronic funds transfers)

4. Obtain a list 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).

No findings noted as a result of applying the above agreed-upon procedures.

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 responsible for cash collections do not share cash drawers/registers.

- 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.
- 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.
- 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.

No findings noted as a result of applying the above agreed-upon procedures.

- 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.

No findings noted as a result of applying the above agreed-upon procedures.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliation" 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.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe 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).
- e) Trace the actual deposit per the bank statement to the general ledger.

No findings noted as a result of applying the above agreed-upon procedures.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

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).

No findings noted as a result of applying the above agreed-upon procedures.

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

Upon applying the agreed-upon procedures above, it was noted that the person responsible for processing payments is not prohibited from adding/modifying vendor files and the individuals who are responsible for processing payments also mail signed checks.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursement) 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 that the disbursement matches the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Upon applying the agreed-upon procedures above, it is noted that the disbursement documentation does not include evidence (initial/date, electronic logged) of segregation of duties.

Credit Cards/Debit Cards/Fuel Cards/P-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.

No findings noted as a result of applying the above agreed-upon procedures.

12. Use the listing prepared by management and 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 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.

Upon applying the agreed upon procedures above, it was noted that there is no evidence that the monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

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. 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. For each transaction, observed it is supported by:
 - a) An original itemized receipt that identifies precisely what was purchased,
 - b) Written documentation of the business/public purpose,
 - c) Documentation of the individuals participating in meals (for meals charges only)

Upon applying the agreed upon procedures above, it is noted that there was no documentation of business/public purpose on multiple credit card transactions.

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

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.
- b) If reimbursed using actual cost, observe 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, observed 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 the reimbursement.

Upon applying the agreed upon procedures above, it was noted that there is no evidence of expense or documentation being reviewed and approved in writing.

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 that 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.
 - c) If the contract was amended, 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 that the invoice and related payment agreed to the terms and conditions of the contract.

No findings noted as a result of applying the above agreed-upon procedures.

Payroll and Personnel

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

No findings noted as a result of applying the above agreed-upon procedures.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or 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 official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No findings noted as a result of applying the above agreed-upon procedures.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or 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 officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

No findings noted as a result of applying the above agreed-upon procedures.

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.

No findings noted as a result of applying the above agreed-upon procedures.

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 that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- b) Observe that 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.

No findings noted as a result of applying the above agreed-upon procedures.

Fraud Notice

- 21. 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, obtained 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.

No findings noted as a result of applying the above agreed-upon procedures.

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

No findings noted as a result of applying the above agreed-upon procedures.

Information Technology Disaster Recovery/Business Continuity

- 23. Perform the following procedures

- 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 observed that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observed 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.

We performed the procedure and discussed the results with management.

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 that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the fiscal period.

No findings noted as a result of applying the above agreed-upon procedures.

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

No findings noted as a result of applying the above agreed-upon procedures.

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.

Upon applying the agreed upon procedures above, it is noted that the annual report was not completed.

We were engaged by St. Bernard Parish Sheriff's Office 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.

December 28, 2022

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results 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 Louisiana Legislative Auditor as a public document.

Duplantier, Hagan, Hogan & Rater LLP
New Orleans, Louisiana