

WEST BATON ROUGE PARISH SHERIFF

FINANCIAL REPORT

JUNE 30, 2022

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INDEPENDENT AUDITORS' REPORT

Honorable Mike Cazes
West Baton Rouge Parish Sheriff
Port Allen, Louisiana

Report on 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 West Baton Rouge 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 table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish Sheriff, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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, budgetary comparison schedules, the schedule of changes in net OPEB liability and related ratios, the schedule of the Sheriff's proportionate share of the net pension liability, and the schedule of West Baton Rouge Parish Sheriff's contributions on pages 4 through 9, 37 through 41, respectively, 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 Sheriff's basic financial statements. The non-major governmental funds - combining financial statements, custodial funds - combining statement of fiduciary net position, custodial funds - combining statement of changes in fiduciary net position, sheriff's sworn statement, schedule of compensation, benefits and payments to agency head or chief executive officer, and the justice system funding schedule presented on pages 43 through 49 are presented for purposes of additional analysis and are 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 non-major governmental funds - combining financial statements, custodial funds - combining statement of fiduciary net position, custodial funds - combining statement of changes in fiduciary net position, sheriff's sworn statement, schedule of compensation, benefits and payments to agency head or chief executive officer, and the justice system funding schedule, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 24, 2023 on our consideration of West Baton Rouge 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West Baton Rouge Parish Sheriff's 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 Sheriff's internal control over financial reporting and compliance.



Gonzales, Louisiana
March 24, 2023

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

This section of West Baton Rouge Sheriff's annual financial report presents our discussion and analysis of the Sheriff's financial performance during the fiscal year that ended on June 30, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- The Sheriff's total net position (deficit) decreased \$1,590,150 or 21.4 percent over the course of this year's operations.
- Expenses for the year were \$23,265,307, a decrease of \$2,231,254 from prior year.
- During the year, the Sheriff's governmental funds expenditures were \$55,764 less than the \$24.2 million generated by ad valorem taxes, charges for services, operating grants for intergovernmental programs and other financing sources.
- The general fund reported an increase in fund balance this year of \$531,231.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the Sheriff:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Sheriff's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Sheriff's government, reporting the Sheriff's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
 - Fiduciary fund statements provide information about the financial relationships in which the Sheriff acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Sheriff's financial statements, including the portion of the Sheriff's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Figure A-1			
	Government-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire Sheriff government (except fiduciary funds)	The activities of the Sheriff that are not proprietary or fiduciary, such as public safety	Instances in which the Sheriff is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Sheriff's funds do not currently contain capital assets, although they can
Type of Inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Government-wide Statements

The government-wide statements report information about the Sheriff as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Sheriff's net position and how they have changed. Net position—the difference between the Sheriff's assets and liabilities—is one way to measure the Sheriff's financial health, or position.

- Over time, increases or decreases in the Sheriff's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Sheriff you need to consider additional nonfinancial factors such as changes in the Sheriff's property tax base and growth of West Baton Rouge Parish.

The government-wide financial statements of the Sheriff include:

- Governmental activities—most of the Sheriff's basic services are included here, such as police. Ad valorem taxes, state and federal grants, and fees, charges, and commissions for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Sheriff's most significant funds, not the Sheriff as a whole. Funds are accounting devices that the Sheriff uses to keep track of specific sources of funding and spending for particular purposes.

The Sheriff has two kinds of funds:

- Governmental funds – The Sheriff's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Sheriff's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- Fiduciary funds—These funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Sheriff's government-wide financial statements because the Sheriff cannot use these assets to finance its operations. The fiduciary net position and changes in fiduciary net position are included on pages 16-17.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

Net position. The Sheriff's net position (deficit) decreased between fiscal years 2022 and 2021 to a deficit of approximately \$5.8 million. (See Table A-1.)

Table A-1
Sheriff's Net Position

	Governmental Activities	
	June 30, 2022	June 30, 2021
Current and other assets	\$ 12,222,798	\$ 11,578,260
Non-depreciable capital assets	446,331	446,331
Capital assets, net of accumulated depreciation	5,258,930	4,999,257
Total assets	17,928,059	17,023,848
Deferred outflows of resources	11,156,775	13,788,121
Total assets and deferred outflows of resources	29,084,834	30,811,969
Current liabilities	503,519	664,561
Noncurrent liabilities	19,352,780	32,888,048
Total liabilities	19,856,299	33,552,609
Deferred inflows of resources	15,074,544	4,695,519
Total liabilities and deferred inflows of resources	34,930,843	38,248,128
Net position		
Net investment in capital assets	5,705,261	5,357,450
Restricted for grants	11,199	11,177
Unrestricted deficit	(11,562,469)	(12,804,786)
Total net position (deficit)	\$ (5,846,009)	\$ (7,436,159)

Net position (deficit) of the Sheriff's governmental activities decreased 21.4 percent to a deficit of approximately \$5.8 million.

Changes in net position. The Sheriff's total revenues increased by 13.5 percent. (See Table A-2.) Approximately 37 percent of the Sheriff's revenue comes from ad valorem tax collections from West Baton Rouge Parish. Charges for services represent 30 percent, operating and capital grants represent 26 and the remaining 7 percent is comprised of other intergovernmental revenue and commission, miscellaneous revenues and interest.

The total cost of all programs and services decreased \$2,231,254. The Sheriff's expenses cover all services performed by its office.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Governmental Activities

Revenues for the Sheriff's governmental activities increased 13.5 percent to \$24.9 million while total expenses decreased \$2,231,254 or 8.8 percent.

Table A-2
Changes in Sheriff's Net Position

	Governmental Activities	
	June 30, 2022	June 30, 2021
Revenues		
Program revenues		
Charges for services	\$ 7,404,250	\$ 6,415,259
Operating grants and contributions	6,375,851	5,771,446
Capital grants and contributions	146,578	133,632
General revenues		
Taxes	9,239,275	8,181,461
State revenue sharing	69,517	67,451
State supplemental pay	510,295	501,762
Interest	29,959	22,099
Non-employer contributions to pension plan	701,267	616,451
Miscellaneous	378,465	192,691
Total revenues	24,855,457	21,902,252
Expenses		
Public Safety	23,262,794	25,479,551
Interest	2,513	17,010
Total expenses	23,265,307	25,496,561
Increase (decrease) in net position	1,590,150	\$ (3,594,309)

FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS

As the Sheriff completed the year, its governmental funds reported a fund balance of \$10,966,950, an increase from last year of \$55,764. The General Fund reported a surplus of \$531,231 and fund balance of \$2,856,417. The Work Release Center fund reported a deficit of \$651,582 and fund balance of \$7,656,399.

Budgetary Highlights

Over the course of the year, the Sheriff did amend the General Fund and Work Release Center budgets. The General Fund budget amendments reflect an increase in revenues and other financing sources and expenditures from the current budget of \$989,670 and \$209,844, respectively. The Work Release Center budget amendment reflects an increase in revenues and expenditures from the current budget of \$404,521 and \$435,483, respectively.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

LONG-TERM LIABILITIES

At June 30, 2022, the Sheriff had the following long-term liabilities outstanding as follows:

	Long-Term Liabilities at Year End	
	2022	2021
Capital lease obligations	\$ -	\$ 88,138
Other post-employment benefit liability	18,192,149	22,181,427
Net pension liability	-	9,539,287
Compensated absences	1,250,467	1,198,194
Total	<u>\$ 19,442,616</u>	<u>\$ 33,007,046</u>

CAPITAL ASSETS

At the end of 2022, the Sheriff had \$5,705,261 invested in capital assets, net, including law enforcement vehicles and equipment, buildings and land. (See Table A-3.)

Table A-3
Sheriff's Capital Assets
(net of depreciation)

	<u>Governmental Activities</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Land	\$ 446,331	\$ 446,331
Buildings	3,186,010	3,301,962
Equipment and Vehicles	2,072,920	1,697,295
Total	<u>\$ 5,705,261</u>	<u>\$ 5,445,588</u>

This year's major capital assets additions include vehicles and equipment totaling \$1,044,290. The major capital asset deletions include vehicles and equipment totaling \$780,716.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Sheriff is dependent on ad valorem taxes for approximately 37 percent of its total revenues. The economy is not expected to generate any significant growth. The 2023 budget includes amounts available for appropriations of approximately \$36 million. Property taxes are expected to increase compared to the current fiscal year. Budgeted expenditures for 2023 are expected to increase compared to the current fiscal year.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Sheriff's finances and to demonstrate the Sheriff's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the West Baton Rouge Parish Sheriff's Office, PO Box 129, Port Allen, LA 70346.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Cash and cash equivalents	\$ 10,263,097
Receivables	1,184,587
Due from others	22,785
Net pension asset	752,329
Capital assets:	
Non-depreciable	446,331
Depreciable, net	5,258,930
Total assets	<u>17,928,059</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows, pension related	4,270,748
Deferred outflows, other post-employment benefit related	6,886,027
Total deferred outflows of resources	<u>11,156,775</u>

Total assets and deferred outflows of resources \$ 29,084,834

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES

Accounts payable	\$ 241,893
Accrued liabilities	23,903
Due to others	147,887
Long-term liabilities:	
Due within one year	89,836
Due in more than one year	1,160,631
Other post-employment benefit liability	18,192,149
Total liabilities	<u>19,856,299</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows, pension related	7,999,736
Deferred inflows, other post-employment benefit related	7,074,808
Total deferred inflows of resources	<u>15,074,544</u>

NET POSITION

Net investment in capital assets	5,705,261
Restricted for grants	11,199
Unrestricted deficit	(11,562,469)
Total net position (deficit)	<u>(5,846,009)</u>

Total liabilities, deferred inflows of resources, and net position \$ 29,084,834

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
STATEMENT OF ACTIVITIES
JUNE 30, 2022

	Program Revenues				
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	
Governmental activities:					
Public Safety	\$ 23,262,794	\$ 7,404,250	\$ 6,375,851	\$ 146,578	\$ (9,336,115)
Interest	2,513	-	-	-	(2,513)
Total governmental activities	\$ 23,265,307	\$ 7,404,250	\$ 6,375,851	\$ 146,578	\$ (9,338,628)
General Revenues:					
Ad valorem taxes					9,239,275
State revenue sharing					69,517
State supplemental pay					510,295
Interest					29,959
Non-employer contributions to pension plan					701,267
Miscellaneous					378,465
Total general revenues					10,928,778
Change in net position					1,590,150
Net position- July 1, 2021					(7,436,159)
Net position- June 30, 2022					\$ (5,846,009)

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2022

	<u>General Fund</u>	<u>Work Release Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,073,846	\$ 6,780,349	\$ 408,902	\$ 10,263,097
Receivables	1,011,560	173,027	-	1,184,587
Due from other funds	-	776,028	67,689	843,717
Due from others	200	22,585	-	22,785
Total assets	<u>\$ 4,085,606</u>	<u>\$ 7,751,989</u>	<u>\$ 476,591</u>	<u>\$ 12,314,186</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 135,682	\$ 91,097	\$ 15,114	\$ 241,893
Accrued liabilities	16,560	-	7,343	23,903
Compensated absences payable	89,836	-	-	89,836
Due to other funds	843,717	-	-	843,717
Due to others	143,394	4,493	-	147,887
Total liabilities	<u>1,229,189</u>	<u>95,590</u>	<u>22,457</u>	<u>1,347,236</u>
<u>FUND BALANCES</u>				
Restricted for grants	-	-	11,199	11,199
Assigned	-	7,656,399	442,935	8,099,334
Unassigned	2,856,417	-	-	2,856,417
Total fund balances	<u>2,856,417</u>	<u>7,656,399</u>	<u>454,134</u>	<u>10,966,950</u>
Total liabilities and fund balances	<u>\$ 4,085,606</u>	<u>\$ 7,751,989</u>	<u>\$ 476,591</u>	<u>\$ 12,314,186</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances at June 30, 2022 - Governmental Funds \$ 10,966,950

Amounts reported for governmental activities in the statement of net position are different because:

Net pension asset		752,329
Deferred outflow - pension related		4,270,748
Deferred outflows, other post-employment benefit related		6,886,027

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds

Cost of capital assets at June 30, 2022	\$ 12,510,633	
Less: accumulated depreciation as of June 30, 2022	<u>(6,805,372)</u>	5,705,261

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

Compensated absences payable		(1,160,631)
Other post-employment benefit liability		(18,192,149)
Deferred inflows, pension related		(7,999,736)
Deferred inflows, other post-employment benefit related		<u>(7,074,808)</u>

Total net position (deficit) at June 30, 2022 - Governmental Activities \$ (5,846,009)

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2022

	<u>General Fund</u>	<u>Work Release Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<u>REVENUES</u>				
Ad valorem taxes	\$ 9,239,275	\$ -	\$ -	\$ 9,239,275
Intergovernmental revenues:				
Federal grants	358,217	-	15,942	374,159
State and local grants and contributions	6,148,270	-	-	6,148,270
State revenue sharing	69,517	-	-	69,517
State supplemental pay	510,295	-	-	510,295
Fees, charges, and commissions for services:				
Commissions on state revenue sharing	72,637	-	-	72,637
Civil and criminal fees	2,360,669	2,702,938	-	5,063,607
Court attendance	7,310	-	-	7,310
Court costs	19,311	-	-	19,311
Feeding and keeping prisoners	-	1,437,243	-	1,437,243
Miscellaneous commissions	-	442	3,888	4,330
Use of money and property:				
Interest	10,224	19,255	502	29,981
Sale of merchandise	-	218,574	581,680	800,254
Miscellaneous	58,767	-	-	58,767
Total Revenues	<u>18,854,492</u>	<u>4,378,452</u>	<u>602,012</u>	<u>23,834,956</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	15,327,926	3,587,077	-	18,915,003
Operating services	2,009,328	1,068,660	97,201	3,175,189
Material and supplies	348,324	135,436	15,168	498,928
Travel and training	61,635	2,496	-	64,131
Capital outlay	892,182	138,514	13,594	1,044,290
Purchase of merchandise for resale	-	97,851	303,034	400,885
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>18,639,395</u>	<u>5,030,034</u>	<u>428,997</u>	<u>24,098,426</u>
Excess (Deficiency) of Revenues over Expenditures	<u>215,097</u>	<u>(651,582)</u>	<u>173,015</u>	<u>(263,470)</u>
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	316,134	-	3,100	319,234
Total other financing sources	<u>316,134</u>	<u>-</u>	<u>3,100</u>	<u>319,234</u>
Net change in fund balances	<u>531,231</u>	<u>(651,582)</u>	<u>176,115</u>	<u>55,764</u>
Fund Balances at beginning of year	<u>2,325,186</u>	<u>8,307,981</u>	<u>278,019</u>	<u>10,911,186</u>
Fund Balances at end of year	<u>\$ 2,856,417</u>	<u>\$ 7,656,399</u>	<u>\$ 454,134</u>	<u>\$ 10,966,950</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Total Net Changes in Fund Balances for the year ended June 30, 2022 \$ 55,764

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay included in expenditures	1,044,290	
Depreciation expense for year ended June 30, 2022	<u>(700,071)</u>	344,219

In the statement of activities, only the gain or loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the difference in cost, including salvage value, and accumulated depreciation of disposed assets. (84,546)

Excess of prepaid lease expense over capital lease obligations. This excess represents the interest expense related to lease obligations for current fiscal year. (2,513)

Changes in compensated absences payable		6,703
Changes in other post-employment benefit liability		(496,283)
Non-employer contributions to pension plan		701,267
Pension benefit		<u>1,065,539</u>

Change in Net Position - Governmental Activities \$ 1,590,150

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,044,660
Total assets	<u>\$ 1,044,660</u>
<u>LIABILITIES</u>	
Accounts payable	\$ -
Total liabilities	<u>-</u>
<u>NET POSITION</u>	
Restricted for:	
Unsettled balances due to others	262,508
Inmate personal funds	<u>782,152</u>
Total fiduciary net position	<u>\$ 1,044,660</u>

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	Custodial Funds
<u>Additions</u>	
Ad valorem taxes	\$ 63,450,485
Ad valorem taxes paid in protest	1,492,055
State revenue sharing	520,961
Interest on:	
Checking accounts	6,558
Delinquent taxes	23,661
protest taxes	300
Sheriff's sales	333,403
Bonds, fines and costs	506,291
Inmate deposits	9,492,980
Redemptions	135,121
Other additions	1,060,177
Total additions	77,021,992
<u>Deductions</u>	
Louisiana Dept. of Agriculture and Forestry	3,925
Louisiana Tax Commission	20,717
West Baton Rouge Parish:	
Assessor	774,242
Sheriff's General Fund	9,741,714
Parish Council	12,691,343
School Board	32,170,116
Clerk of Court	61,495
Council on Aging	1,433,929
Atchafalaya Levee District	2,345,744
Library	2,406,880
Museum	1,153,071
Eighteenth Judicial District:	
District Attorney	165,388
Judge's fund	127,647
Indigent defender board	231,599
Pension funds	1,746,812
Refunds and redemptions	211,740
Attorneys and litigants	333,403
Louisiana State Police Crime Lab	1,510
Louisiana Commission on Law Enforcement	11,242
Louisiana Traumatic Head and Spinal Cord Injury	8,978
Garnishments	145,449
Protest taxes	1,492,955
Other reductions	9,806,733
Total deductions	77,086,632
Change in fiduciary net position	(64,640)
Net position - beginning	1,109,300
Net position - ending	\$ 1,044,660

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff 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 neighborhood watch programs, anti-drug abuse programs, et cetera. 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, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

A. BASIS OF PRESENTATION BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the West Baton Rouge Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The statement of net position and the statement of activities display information about the primary government (the Sheriff). These statements include the financial activities of the overall government, except for fiduciary activities. 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 and exchange-like transactions should be recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions should be recognized in accordance with the requirements of GASB Codification Section N50.

The statement of activities presents a comparison between direct expenses and program revenues for each function 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, fines, and charges paid by the recipients of goods or services offered by the programs 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.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION BASIS OF ACCOUNTING (continued)

FUND FINANCIAL STATEMENTS (FFS):

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds.

The Sheriff reports the following major governmental funds:

General Fund

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

Special Revenue

The Work Release Center fund is used to account for the work done by prisoners in private businesses.

Additionally, the Sheriff reports the following fund types:

Fiduciary Funds

These funds are used to report assets held in a custodial capacity for others and therefore not available to support the Sheriff's programs. The Sheriff has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focus is on net position and changes in net position and re reported using the accrual basis of accounting. The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type, custodial. Because by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

B. REPORTING ENTITY

For financial reporting purposes, the Sheriff's basic financial statements include all funds that are controlled by the Sheriff as an independently elected Parish official. As an independently elected official, the Sheriff is solely responsible for the operations of his office. Other than certain operating expenditures of the Sheriff that are paid or provided by the West Baton Rouge Parish Council (the Parish Council) as required by Louisiana Law, the Sheriff is financially independent. Accordingly, the Sheriff is a primary government for reporting purposes.

The criteria for including organizations as component units within the Sheriff's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate, whether the Sheriff appoints a voting majority of the organization's board, whether the Sheriff is able to impose his will on the organization, etcetera. The Sheriff does not have any component units.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The Governmental Wide Financial Statements (GWFS) and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Sheriff gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, intergovernmental revenues, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

D. INTERFUND ACTIVITY

Interfund activities between governmental funds are eliminated in the Statement of Net Position.

E. BUDGET PRACTICES

The proposed budget for the year ended June 30, 2022, was made available for public inspection and comments from taxpayers at the Sheriff's office during June 2021. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 10 days prior to the public hearing, which was held at the Sheriff's office, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the Sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance. Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit accounts, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and other investments with original maturities of 90 days or less. Under state law, the Sheriff may deposit funds in demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. COMPENSATED ABSENCES

Effective July 1, 2021, the Sheriff has the following policy relating to paid time off (PTO):

- PTO is given to all full-time employees annually in a lump sum on their hire/anniversary date. The PTO given to employees at hire/anniversary date is determined on a graduated scale based on employee's years of service and ranges from one week to eight weeks.
- PTO leave can be accumulated and allowed to carry over year to year up to a maximum of 500 hours.
- PTO hours in excess of 500 hours at the end of the year will be forfeited. Employees have the option to sell back any balance exceeding 500 hours on their anniversary date.
 - There is a one-time exception. Accumulated leave in excess of the 400 hours prior to the effective date of the new policy will be grandfathered in and locked as of December 31, 2017. The balance grandfathered in and locked as of December 31, 2017 will be available to employees at any time during their employment.
- A maximum of 500 hours of accumulated PTO will only be paid at the time of an employee's retirement or death.

H. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their fair value at the date of donation. The Sheriff maintains a threshold level of \$2,500 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	39
Vehicles	4-5
Equipment	7
Software	3

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use either:

Net investment in capital assets - This component 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 capital assets.

Restricted net position - This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws, or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - This component consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The Sheriff has two items that qualify for this category; pension and other post-employment benefits related deferrals, which are reported in the government-wide statement.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) at that time. The Sheriff has two items that qualify for this category; pension and other post-employment benefits related deferrals. These amounts are recognized as an inflow of resources in the period that the amounts become available.

L. PENSION PLANS

The West Baton Rouge Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 8. For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

M. ESTIMATES

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

N. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The Sheriff recognized the cost of providing these retiree benefits as expenditures in the fund financial statements when paid during the year.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

The Governmental Accounting Standards Board (GASB) issued GASB statement No. 87, *Leases*, which increased the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows and resources or outflows of resources based on the payment provisions of the contract. The statement establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for the fiscal years beginning after June 15, 2021. The Sheriff implemented this Statement in the current year, with no changes to the prior net position as a result of this implementation.

2. CASH AND CASH EQUIVALENTS

At June 30, 2022, the Sheriff has unrestricted cash and cash equivalents (book balances) as follows:

Governmental Funds:	
Petty Cash	\$ 4,371
Interest bearing and non-interest-bearing demand deposits	<u>10,258,726</u>
Total governmental funds	<u>10,263,097</u>
Fiduciary Funds:	
Interest bearing demand deposits	<u>1,044,660</u>
Total fiduciary funds	<u>1,044,660</u>
Total	<u>\$ 11,307,757</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

Custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At June 30, 2022, the government's bank balance of \$11,657,343 was not exposed to custodial credit.

3. RECEIVABLES

The accounts receivables at June 30, 2022 are as follows:

Class of Receivable

Local	\$ 329,088
State	571,955
Federal	<u>283,544</u>
Total	<u>\$ 1,184,587</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

4. DUE TO/FROM OTHER FUNDS

During the year, transactions may occur between individual funds. Those related to short-term borrowings are classified as “due from other funds” or “due to other funds on the balance sheet. Interfund receivables and payables between funds within the governmental activities are eliminated in the Statement of Net Position. Individual balances due to/from other funds at June 30, 2022 are as follows:

	Due to Other Funds	Due From Other Funds
Major Governmental Funds:		
General Fund	\$ 843,717	\$ -
Work Release Center	-	776,028
Subtotal – Major Governmental Funds	843,717	776,028
Non-Major Governmental Funds:		
Prisoner Welfare Fund	-	67,689
Subtotal – Non-Major Governmental Funds	-	67,689
TOTAL	\$ 843,717	\$ 843,717

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 in October and billed to the taxpayers in November. 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 West Baton Rouge Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's and legislative 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 16.10 mills on property with assessed valuations totaling \$581,531,162.

The sheriff has authorized and levied an ad valorem tax of 16.10 mills.

6. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions of the West Baton Rouge Sheriff for the year ended June 30, 2022:

	Balance 7/1/2021	Additions	Reductions	Balance 6/30/2022	Due within One Year
<i>Governmental Activities:</i>					
Capital lease obligations	\$ 88,138	\$ -	\$ 88,138	\$ -	\$ -
Compensated absences	1,198,194	78,628	26,355	1,250,467	89,836
OPEB	22,181,427	970,798	4,960,076	18,192,149	-
Total	\$23,467,759	\$1,049,426	\$5,074,569	\$19,442,616	\$ 89,836

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2022, is as follows:

Governmental
Activities:

	<u>Land</u>	<u>Building</u>	<u>Vehicles and Equipment</u>	<u>Total</u>
Cost of Capital				
Assets June 30, 2021	\$ 446,331	\$ 5,025,578	\$ 6,775,150	\$ 12,247,059
Additions	-	-	1,044,290	1,044,290
Deletions	-	-	(780,716)	(780,716)
Cost of Capital				
Assets June 30, 2022	<u>446,331</u>	<u>5,025,578</u>	<u>7,038,724</u>	<u>12,510,633</u>
Accumulated Depreciation				
June 30, 2021	-	1,723,616	5,077,855	6,801,471
Additions	-	115,952	584,119	700,071
Deletions	-	-	(696,170)	(696,170)
Accumulated Depreciation				
June 30, 2022	<u>-</u>	<u>1,839,568</u>	<u>4,965,804</u>	<u>6,805,372</u>
Capital Assets, net of Accumulated Depreciation				
June 30, 2022	<u>\$ 446,331</u>	<u>\$ 3,186,010</u>	<u>\$2,072,920</u>	<u>5,705,261</u>

For the year ended June 30, 2022, depreciation expense was \$700,071.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN

Substantially all employees of the West Baton Rouge Parish Sheriff's office are members of the Louisiana Sheriff's 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. The report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225)219-0500

Plan Description:

The Louisiana Sheriff's Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability and survivor benefits to employees of Sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the Sheriff's Pension and Relief Fund's office as provided for in LRS 11:2171.

Members who joined the system on or before December 31, 2011, are eligible for regular retirement benefits upon attaining 30 years of creditable service at any age, or 12 years of creditable service and aged 55 years is entitled to retirement benefit payable monthly for life, equal to 3.33 percent of his final average compensation for each year of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least 10 years of creditable service may retire at age 60. 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. Members who joined the system on or after January 1, 2012, who retires at or after age 62 with at least 12 years of creditable service, at or after age 60 with at least 20 years of creditable service, or at 55 with 30 years of creditable service is entitled to a retirement benefit payable monthly for life, equal to 3.00 percent. For members with 30 or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual times the member's final average compensation each year of creditable service. In any case, the retirement benefit cannot exceed 100 percent of their final average salary.

Members with 20 or more years of service may retire with a reduced retirement at age 55. For members eligible on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months (60 highest consecutive months for member employed between July 1, 2006 and July 1, 2013) or joined months if service was interrupted. The earnings to be considered for each 12-month period within the 36-month (or 60 month) period shall not exceed 125% of the preceding 12 months. For members joining after July 1, 2013, final compensation is based on the average monthly earnings during the highest 60 consecutive months and the earnings to be considered for each 12-month period within the 60 months shall not exceed 115% of the preceding 12-month period.

A member is eligible to receive disability benefits if the member has at least 10 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 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 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.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN (continued)

Plan Description (continued):

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the 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 18 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 4 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-two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

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.

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.

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.

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2022, the actual employer contribution rate was 12.25 percent.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN (continued)

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. For the year ended June 30, 2022, the Sheriff recognized \$701,267 of non-employer contributions as revenue.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the West Baton Rouge Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.25 percent 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 West Baton Rouge Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 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 West Baton Rouge Parish Sheriff's contributions to the System, for the years ending June 30, 2022, 2021, and 2020 were \$1,392,259, \$1,355,364, and \$1,246,787, respectively.

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 of \$752,329 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension asset 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 was 1.5182%, which was a decrease of 0.1399% from its proportion measured as of June 30, 2020.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (1,047,553)
Changes of assumptions	2,315,109	-
Net difference between projected and actual earnings on pension plan investments	-	(6,793,848)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	563,380	(158,335)
Employer contributions subsequent to the measurement date	1,392,259	-
Total	<u>\$ 4,270,748</u>	<u>\$ (7,999,736)</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN (continued)

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

The Sheriff reported a total of \$1,392,259 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021 which will be recognized as a reduction in net pension asset in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	<u>LSRPF</u>
2022	\$(1,000,038)
2023	(904,916)
2024	(1,220,645)
2025	(1,995,648)
	<u>\$ (5,121,247)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2022 is as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return	6.9%, net of investment expense
Discount Rate	6.9%
Projected Salary Increases	5.0% (2.50% inflation, 2.5% merit)
Mortality Rates	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 Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity Securities	62%	7.1%	4.39%
Bonds	25%	1.4%	0.36%
Alternative investments	13%	4.4%	0.57%
Total	<u>100%</u>		<u>5.32%</u>
Inflation			<u>2.55%</u>
Expected Arithmetic Nominal Return			<u>7.87%</u>

Mortality Rate

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

Discount Rate

The discount rate used to measure the total pension liability 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, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive 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 (asset).

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. PENSION PLAN (continued)

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

The following table presents the Sheriff's proportionate share of the net pension asset (NPA) using the discount rate of each Retirement System as well as what the Sheriff's proportionate share of the NPA would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSPRF			
Rates	5.90%	6.90%	7.90%
WBRSO Share of NPA	\$ 8,260,493	\$ (752,329)	\$ (8,266,149)

9. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB)

General Information about the OPEB Plan

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

Benefits Provided – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1st, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer for the amount \$20,000, but insurance coverage amounts are reduced to 65% of the original amount at age 65, then to 50% at age 70, though not below amount \$10,000.

Employees covered by benefit terms – At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	49
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>203</u>
	<u>252</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

9. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB) (continued)

Total OPEB Liability

The Sheriff's total OPEB liability of \$18,192,149 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.0%, including inflation
Prior discount rate	2.16%
Discount rate	3.54%
Healthcare cost trend rates	5.5% annually until 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2020, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in the Total OPEB Liability

Balance at June 30, 2021	\$ 22,181,427
Changes for the year:	
Service cost	486,426
Interest	484,372
Differences between expected and actual experience	(1,263,791)
Change in assumptions	(3,305,230)
Benefit payments and net transfers	(391,055)
Net changes	<u>(3,989,278)</u>
Balance at June 30, 2022	<u><u>\$ 18,192,149</u></u>

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

	<u>1.0% Decrease</u> <u>(2.54%)</u>	<u>Current Discount</u> <u>Rate (3.54%)</u>	<u>1.0% Increase</u> <u>(4.54%)</u>
Total OPEB liability	<u>\$ 21,561,070</u>	<u>\$ 18,192,149</u>	<u>\$ 15,530,345</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

9. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB) (continued)

Changes in the Total OPEB Liability (continued)

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 15,515,784	\$ 18,192,149	\$ 21,597,197

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 \$887,338. 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
Differences between expected and actual experience	\$ 1,543,959	\$ (4,136,826)
Change in assumptions	5,342,068	(2,937,982)
Total	\$ 6,886,027	\$ (7,074,808)

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 June 30:

2023	\$ (83,460)
2024	(83,460)
2025	(83,460)
2026	(83,460)
2027	(83,460)
Thereafter	228,521

10. LITIGATION AND CLAIMS

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions. To handle such risk of loss, the Sheriff maintains commercial insurance policies, workers' compensation insurance, and surety bond coverage. There were no significant reductions in insurance coverage during the year ended June 30, 2022.

At June 30, 2022, the Sheriff was involved in several lawsuits. In the opinion of the Sheriff's legal counsel, the ultimate resolution of these claims would not create a liability to the Sheriff in excess of existing insurance coverage.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

11. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL

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

12. DEFERRED COMPENSATION PLAN

The Sheriff participates in the State of Louisiana Deferred Compensation Plan, (an IRC 457 deferred compensation plan). The plan covers all full-time employees. The Sheriff matches 25% to 100% of employee contributions based on years of service. The Sheriff's contributions for the years ending June 30, 2022 and 2021 were \$387,617 and \$353,709, respectively.

13. EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at the end of the year was \$50,683.

As of June 30, 2022, the West Baton Rouge Parish Sheriff has collected all taxes assessed by the West Baton Rouge Parish Assessor for the 2021 tax year.

The amount of taxes collected for the current year by taxing authority is as follows:

Assessment District	\$ 782,473
Atchafalaya Levee District	2,315,923
West Baton Rouge Parish Drainage District	4,103,618
West Baton Rouge Parish Council	8,270,992
Louisiana Agriculture & Forestry Commission	3,953
West Baton Rouge Parish School Board	32,365,255
West Baton Rouge Parish Council on Aging	1,449,018
Louisiana Tax Commission	20,714
West Baton Rouge Parish Museum	1,159,214
West Baton Rouge Parish Sheriff	9,331,677
West Baton Rouge Parish Library	2,376,389
	<hr/>
	\$ 62,179,226

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

14. TAX ABATEMENTS

The local government is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the “State Board”), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program (“ITEP”). For the year ending June 30, 2021, the government participated in the Industrial Tax Exemption Program.

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Order Number JBE 2016-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. Under the original program guidelines, the exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. Effective June 24, 2016 the term of the exemption contract which shall be for up to, but no more than five years and may provide for an ad valorem exemption of up to 100 percent and terms for renewal may be included provided that the renewal of the contract shall be for a period up to, but no more than three years and may provide for an ad valorem tax exemption of up to, but no more than 80 percent. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement.

Taxes abated for the fiscal year ended June 30, 2022 were as follows:

	<u>Total</u>
Tax Abatement Program	
Industrial Tax Exemption Program	<u>\$ 3,690,694</u>

15. SUBSEQUENT EVENTS

Subsequent to year end, the Legislative Auditor's Office investigated two alleged thefts that occurred at the Sheriff's office. It was discovered that the Sheriff's office received \$158,852 more in traffic ticket revenue than was deposited from July 1, 2018 to July 31, 2022. West Baton Rouge Sheriff's Office accounting records show that the employee primarily responsible for traffic tickets recorded false transactions to conceal the cash taken for personal use. It was also discovered that the Sheriff's office received \$6,996 more in fiduciary funds than was deposited from January 1, 2022 to August 2, 2022. In addition, bank records show two checks totaling \$1,680 from one of the fiduciary bank accounts were paid to a WBRSO employee, but the accounting records were altered to show a different payee after the checks were negotiated. The employee primarily responsible for the accounting for fiduciary funds took funds from the fiduciary accounts, improperly altered transactions in the accounting records, using the funds for her personal benefit. A complete copy of the Louisiana Legislative Auditor's report issued on February 15, 2023 can found on their website at www.lla.la.gov/reports.

REQUIRED
SUPPLEMENTARY INFORMATION – PART III

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Ad valorem taxes	\$ 9,346,850	\$ 9,230,590	\$ 9,239,275	\$ 8,685
Intergovernmental revenues:				
Federal grants	148,444	144,720	358,217	213,497
State and local grants and contributions	5,496,167	6,351,538	6,148,270	(203,268)
State revenue sharing	69,474	69,516	69,517	1
State supplemental pay	502,105	551,449	510,295	(41,154)
Fees, charges, and commissions for services:				
Commissions on State Revenue Sharing	74,808	72,637	72,637	-
Civil and criminal fees	1,830,379	2,037,959	2,360,669	322,710
Court attendance	5,730	7,266	7,310	44
Court costs	18,228	19,270	19,311	41
Use of money and property:				
Interest	5,268	8,307	10,224	1,917
Miscellaneous	110,378	68,943	58,767	(10,176)
Total Revenues	<u>17,607,831</u>	<u>18,562,195</u>	<u>18,854,492</u>	<u>292,297</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	15,210,491	15,358,784	15,327,926	30,858
Operating services	1,925,278	1,867,136	2,009,328	(142,192)
Material and supplies	450,422	349,817	348,324	1,493
Travel and training	37,585	57,132	61,635	(4,503)
Capital outlay	606,106	806,857	892,182	(85,325)
Debt service	-	-	-	-
Total Expenditures	<u>18,229,882</u>	<u>18,439,726</u>	<u>18,639,395</u>	<u>(199,669)</u>
(Deficiency) Excess of Revenues over Expenditures	(622,051)	122,469	215,097	92,628
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	21,449	58,755	316,134	257,379
Total other financing sources	<u>21,449</u>	<u>58,755</u>	<u>316,134</u>	<u>257,379</u>
Net change in fund balance	<u>(600,602)</u>	<u>181,224</u>	<u>531,231</u>	<u>(350,007)</u>
Fund Balance, July 1, 2021	<u>4,530,453</u>	<u>2,325,186</u>	<u>2,325,186</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 3,929,851</u>	<u>\$ 2,506,410</u>	<u>\$ 2,856,417</u>	<u>\$ (350,007)</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
WORK RELEASE CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Fees, charges, and commissions for services:				
Civil and criminal fees	2,400,164	2,690,115	2,702,938	12,823
Feeding and keeping prisoners	1,337,827	1,456,182	1,437,243	(18,939)
Miscellaneous commissions	-	-	442	442
Use of money and property:				
Interest	16,513	16,142	19,255	3,113
Sale of Merchandise	215,301	211,719	218,574	6,855
Total Revenues	<u>3,969,805</u>	<u>4,374,158</u>	<u>4,378,452</u>	<u>4,294</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	\$ 3,728,437	\$ 3,849,493	\$ 3,587,077	\$ 262,416
Operating services	811,276	1,086,924	1,068,660	18,264
Material and supplies	150,753	135,519	135,436	83
Travel and training	5,260	3,496	2,496	1,000
Capital outlay	82,341	138,514	138,514	-
Purchase of merchandise for resale	99,732	99,336	97,851	1,485
Total Expenditures	<u>4,877,799</u>	<u>5,313,282</u>	<u>5,030,034</u>	<u>283,248</u>
Deficiency of Revenues over Expenditures	(907,994)	(939,124)	(651,582)	287,542
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	<u>225</u>	<u>393</u>	<u>-</u>	<u>(393)</u>
Total other financing sources	<u>225</u>	<u>393</u>	<u>-</u>	<u>(393)</u>
Net change in fund balance	<u>(907,769)</u>	<u>(938,731)</u>	<u>(651,582)</u>	<u>287,149</u>
Fund Balance, July 1, 2021	<u>7,970,492</u>	<u>8,307,981</u>	<u>8,307,981</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 7,062,723</u>	<u>\$ 7,369,250</u>	<u>\$ 7,656,399</u>	<u>\$ 287,149</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 486,426	\$ 472,258	\$ 537,423	\$ 328,992	\$ 336,866
Interest	484,372	454,198	594,691	551,145	541,031
Differences between expected and actual experience	(1,263,791)	1,093,739	(4,019,113)	809,803	(114,271)
Changes of assumptions	(3,305,230)	183,836	6,801,172	301,049	-
Benefit payments	<u>(391,055)</u>	<u>(338,436)</u>	<u>(320,793)</u>	<u>(329,033)</u>	<u>(311,879)</u>
Net change in total OPEB liability	<u>(3,989,278)</u>	<u>1,865,595</u>	<u>3,593,380</u>	<u>1,661,956</u>	<u>451,747</u>
Total OPEB liability- beginning	<u>22,181,427</u>	<u>20,315,832</u>	<u>16,722,452</u>	<u>15,060,496</u>	<u>14,608,749</u>
Total OPEB liability- ending	<u>\$ 18,192,149</u>	<u>\$ 22,181,427</u>	<u>\$ 20,315,832</u>	<u>\$ 16,722,452</u>	<u>\$ 15,060,496</u>
Covered employee payroll	\$ 10,049,262	\$ 9,569,271	\$ 9,290,554	\$ 8,921,915	\$ 8,662,053
Total OPEB liability as a percentage of covered employee payroll	181.03%	231.80%	218.67%	187.43%	173.87%

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

Notes to Schedule:

<i>Benefit Changes:</i>	None	None	None	None	None
<i>Changes of Assumptions:</i>					
Discount rate:	3.54%	2.16%	2.21%	3.50%	3.62%
Mortality Rates:	RP2014	RP2014	RP2014	RP2000	RP2000
Trends:	Variable	Variable	Variable	5.5%	5.5%

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF THE SHERIFF'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
FOR THE YEAR ENDED JUNE 30, 2022 (*)

Louisiana Sheriff's Pension and Relief Fund	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Employer's Proportion of the Net Pension Liability (Asset)	1.5182%	1.3783%	1.4302%	1.4373%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ (752,329)	\$ 9,539,287	\$ 6,765,093	\$ 5,511,475
Employer's Covered-Employee Payroll	\$ 11,064,197	\$ 10,177,856	\$ 9,993,901	\$ 9,894,528
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	-6.7997%	93.7259%	67.6922%	55.7023%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	101.0387%	84.7289%	88.9085%	90.4106%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	1.3920%	1.3858%	1.3856%	1.3714%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,027,823	\$ 8,795,603	\$ 6,176,216	\$ 5,430,652
Employer's Covered-Employee Payroll	\$ 9,646,293	\$ 9,464,430	\$ 9,186,570	\$ 8,854,184
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	62.4885%	92.9333%	67.2309%	61.3343%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	88.4876%	82.0970%	86.6065%	87.3447%

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

(*) The amounts presented have a measurement date of the previous fiscal year end.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF WEST BATON ROUGE PARISH SHERIFF'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022

Louisiana Sheriffs' Pension and Relief Fund	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 1,392,258	\$ 1,355,364	\$ 1,246,787	\$ 1,224,253
Contributions in relation to contractually required contributions	<u>1,392,259</u>	<u>1,355,364</u>	<u>1,246,787</u>	<u>1,224,253</u>
Contribution deficiency (excess)	(1)	-	-	-
Employer's Covered Employee Payroll	\$ 11,365,369	\$ 11,064,197	\$ 10,177,856	\$ 9,993,901
Contributions as a % of Covered Employee Payroll	12.2500%	12.2500%	12.2500%	12.2500%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,261,552	\$ 1,278,134	\$ 1,301,359	\$ 1,309,086
Contributions in relation to contractually required contributions	<u>1,261,552</u>	<u>1,278,134</u>	<u>1,301,359</u>	<u>1,309,086</u>
Contribution deficiency (excess)	-	-	-	-
Employer's Covered Employee Payroll	\$ 9,894,528	\$ 9,646,293	\$ 9,464,430	\$ 9,186,570
Contributions as a % of Covered Employee Payroll	12.7500%	13.2500%	13.7500%	14.2500%

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

Notes to the Net Pension Liability Required Supplementary Information:

Changes in Benefit Term: There were no changes in benefit terms for the fiscal year ended June 30, 2022.

Changes in Assumption: There were no changes in assumptions for the fiscal year ended June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION – PART IV

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special revenue fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purpose.

PRISONER WELFARE FUND

The prisoner welfare fund accounts for sales to prisoners in parish jail. Revenues are used to purchase recreational equipment, personal items, and items for resale.

DRUG TASK FORCE FUND

The Drug Task Force is a federal anti-drug abuse grant awarded by the Louisiana Commission in Law Enforcement to local law enforcement authorities to enhance their efforts in the prevention of drug traffic.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2022

	Drug Task Force Fund	Prisoner Welfare Fund	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 13,741	395,161	\$ 408,902
Due from other funds	-	67,689	67,689
 Total assets	 \$ 13,741	 \$ 462,850	 \$ 476,591
 <u>LIABILITIES</u>			
Accounts payable	\$ -	\$ 15,114	\$ 15,114
Accrued liabilities	2,542	4,801	7,343
 Total liabilities	 2,542	 19,915	 22,457
 <u>FUND BALANCES</u>			
Restricted for grants	11,199	-	11,199
Assigned	-	442,935	442,935
 Total fund balances	 11,199	 442,935	 454,134
 Total liabilities and fund balances	 \$ 13,741	 \$ 462,850	 \$ 476,591

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022

	<u>Drug Task Force Fund</u>	<u>Prisoner Welfare Fund</u>	<u>Total</u>
<u>REVENUES</u>			
Intergovernmental revenues:			
Federal grants	\$ 15,942	\$ -	\$ 15,942
Fees, charges, and commissions for services:			
Miscellaneous commissions	-	3,888	3,888
Use of money and property:			
Interest	22	480	502
Sale of merchandise	-	581,680	581,680
Total Revenues	<u>15,964</u>	<u>586,048</u>	<u>602,012</u>
<u>EXPENDITURES</u>			
Public safety:			
Operating services	15,942	81,259	97,201
Material and supplies	-	15,168	15,168
Capital outlay	-	13,594	13,594
Purchase of merchandise for resale	-	303,034	303,034
Total Expenditures	<u>15,942</u>	<u>413,055</u>	<u>428,997</u>
Excess of Revenues over Expenditures	22	172,993	173,015
<u>OTHER FINANCING SOURCES</u>			
Proceeds from sale of assets	-	3,100	3,100
Total other financing sources	<u>-</u>	<u>3,100</u>	<u>3,100</u>
Net change in fund balances	<u>22</u>	<u>176,093</u>	<u>176,115</u>
Fund Balances at beginning of year	<u>11,177</u>	<u>266,842</u>	<u>278,019</u>
Fund Balances at end of year	<u>\$ 11,199</u>	<u>\$ 442,935</u>	<u>\$ 454,134</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

CUSTODIAL FUNDS - COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Tax Collector Fund	Clearing Account	Work Release - Inmate	Inmate Account - Jail	Work Release - Trustee	Civil Account	Total
<u>ASSETS</u>							
Cash	\$ 50,683	\$ 211,825	\$ 593,041	\$ 165,525	\$ 23,586	\$ -	\$ 1,044,660
Total assets	<u>\$ 50,683</u>	<u>\$ 211,825</u>	<u>\$ 593,041</u>	<u>\$ 165,525</u>	<u>\$ 23,586</u>	<u>\$ -</u>	<u>\$ 1,044,660</u>
<u>LIABILITIES</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>							
Restricted for:							
Unsettled balances due to others	50,683	211,825	-	-	-	-	262,508
Inmate personal funds	-	-	593,041	165,525	23,586	-	782,152
Total fiduciary net position	<u>\$ 50,683</u>	<u>\$ 211,825</u>	<u>\$ 593,041</u>	<u>\$ 165,525</u>	<u>\$ 23,586</u>	<u>\$ -</u>	<u>\$ 1,044,660</u>

**WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA**

CUSTODIAL FUNDS - COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2022

	Tax Collector Fund	Clearing Account	Work Release - Inmate	Inmate Account - Jail	Work Release - Trustee	Civil Account	Total
<u>Additions</u>							
Ad valorem taxes	\$ 63,450,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,450,485
Taxes paid in protest	1,492,055	-	-	-	-	-	1,492,055
State revenue sharing	520,961	-	-	-	-	-	520,961
Interest on:							
Checking accounts	6,170	370	-	-	-	18	6,558
Delinquent taxes	23,661	-	-	-	-	-	23,661
Protest taxes	300	-	-	-	-	-	300
Sheriff sales	-	-	-	-	-	333,403	333,403
Bonds, fines and costs	48,435	457,856	-	-	-	-	506,291
Inmate deposits	-	-	7,141,682	2,145,088	206,210	-	9,492,980
Redemptions	135,121	-	-	-	-	-	135,121
Other additions	55,365	759,688	-	-	-	245,124	1,060,177
Total additions	<u>65,732,553</u>	<u>1,217,914</u>	<u>7,141,682</u>	<u>2,145,088</u>	<u>206,210</u>	<u>578,545</u>	<u>77,021,992</u>
<u>Deductions</u>							
Louisiana Dept. of Agriculture and Forestry	3,925	-	-	-	-	-	3,925
Louisiana Tax Commission	20,717	-	-	-	-	-	20,717
West Baton Rouge Parish:							
Assessor	774,242	-	-	-	-	-	774,242
Sheriff's General Fund	9,416,492	137,851	-	-	-	187,371	9,741,714
Parish Council	12,404,772	286,571	-	-	-	-	12,691,343
School Board	32,170,116	-	-	-	-	-	32,170,116
Clerk of Court	8,295	45,558	-	-	-	7,642	61,495
Council on Aging	1,433,929	-	-	-	-	-	1,433,929
Atchafalaya Levee District	2,345,744	-	-	-	-	-	2,345,744
Library	2,406,880	-	-	-	-	-	2,406,880
Museum	1,153,071	-	-	-	-	-	1,153,071
Eighteenth Judicial District:							
District Attorney	-	165,388	-	-	-	-	165,388
Judge's fund	-	127,647	-	-	-	-	127,647
Indigent defender board	-	231,599	-	-	-	-	231,599
Pension funds	1,746,812	-	-	-	-	-	1,746,812
Refunds and redemptions	211,740	-	-	-	-	-	211,740
Attorneys and litigants	-	-	-	-	-	333,403	333,403
Louisiana State Police Crime Lab	-	1,510	-	-	-	-	1,510
Louisiana Commission on Law Enforcement	-	11,242	-	-	-	-	11,242
Louisiana Traumatic Head and Spinal Cord Injury	-	8,978	-	-	-	-	8,978
Garnishments	-	145,449	-	-	-	-	145,449
Protest taxes	1,492,955	-	-	-	-	-	1,492,955
Other reductions	97,498	15,221	7,075,341	2,343,576	224,968	50,129	9,806,733
Total deductions	<u>65,687,188</u>	<u>1,177,014</u>	<u>7,075,341</u>	<u>2,343,576</u>	<u>224,968</u>	<u>578,545</u>	<u>77,086,632</u>
Change in fiduciary net position	45,365	40,900	66,341	(198,488)	(18,758)	-	(64,640)
Net position - beginning	<u>5,318</u>	<u>170,925</u>	<u>526,700</u>	<u>364,013</u>	<u>42,344</u>	<u>-</u>	<u>1,109,300</u>
Net position - ending	<u>\$ 50,683</u>	<u>\$ 211,825</u>	<u>\$ 593,041</u>	<u>\$ 165,525</u>	<u>\$ 23,586</u>	<u>\$ -</u>	<u>\$ 1,044,660</u>

STATE OF LOUISIANA, PARISH OF WEST BATON ROUGE PARISH

AFFIDAVIT

Michael B. Cazes, Sheriff of West Baton Rouge Parish


BEFORE ME, the undersigned authority, personally came and appeared, Michael B. Cazes, the Sheriff of West Baton Rouge Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct: \$50,683 is the amount of cash on hand in the tax collector account on June 30, 2022;

He further deposed and said:

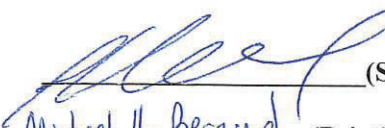
All itemized statements of the amount of taxes collected for tax year 2021, by taxing authority, are true and correct.

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.



Signature
Sheriff of West Baton Rouge Parish

SWORN to and subscribed before me. Notary, this 22 day of February 2023, in my office in Port Allen, Louisiana.
(City/Town)



(Signature)
Michael H. Beraud (Print), # 195319
Notary Public
Lifetime (Commission)

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2022

Agency Head Name: Mike Cazes, Sheriff

Purpose	Amount
Salary	\$ 182,575
Benefits- insurance	13,272
Benefits- retirement	61,548
Dues	113
Travel	4,341
Cell phone	<u>1,150</u>
Total	<u><u>\$ 262,999</u></u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2022

	<u>First Six</u> <u>Month Period</u> <u>Ended</u> <u>December 31, 2021</u>	<u>Second Six</u> <u>Month Period</u> <u>Ended</u> <u>June 30, 2022</u>
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 261,444	\$ 290,015
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	172,482	176,255
Bond Fees	142,053	196,911
Asset Forfeiture/Sale	-	375,179
Criminal Court Costs/Fees	208,405	203,737
Criminal Fines - Other (Bonds)	50,500	67,000
Criminal Fines - Other	135,695	126,125
Interest Earnings on Collected Balances	194	196
Subtotal Collections	709,329	1,145,403
Less: Disbursements To Governments & Nonprofits:		
Criminal		
West Baton Rouge Parish Government	136,451	150,120
Indigent Defender Board	110,811	120,788
West Baton Rouge Clerk of Court	23,845	21,713
LA Commission on Law Enforcement Training	2,429	2,131
LA Commission on Law Enforcement Victims Act	3,307	3,375
18th Judicial District Attorney	77,489	87,899
18th Judicial Expense Fund	68,874	58,773
Treasurer, State of LA CMIS	3,738	3,241
LA Supreme Court	814	530
DHH THISCI LA Rehab Service	4,838	4,140
Town of Addis	114	-
LA Department of Public Safety State Police	2,920	2,450
Iberville Substance Abuse	1,030	665
LA State Police Crime Lab	811	699
LA Department of Wildlife and Fisheries	5	-
Civil		
West Baton Rouge Clerk of Court	1,334	6,308
Other clerks and sheriffs	222	727
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Amount "Self-Disbursed" to Collecting Agency		
Criminal		
West Baton Rouge Parish Sheriff Traffic Fine Cost	12,540	10,873
West Baton Rouge Parish Sheriff Traffic Fine Commission	16,857	14,802
Bond Fees	33,151	49,521
West Baton Rouge Parish Sheriff 2% LCLE Training	50	43
Bank Interest	186	183
Civil		
Commission	90,085	97,051
Bank Interest	8	10
Tax Collector	-	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Other Disbursements to Individuals	88,849	551,474
Subtotal Disbursements/Retainage	680,758	1,187,516
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 290,015	\$ 247,902



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

Honorable Mike Cazes
West Baton Rouge Parish Sheriff
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining information of the West Baton Rouge 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 West Baton Rouge Parish Sheriff's basic financial statements, and have issued our report thereon dated March 24, 2023.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-002, 2022-003 and 2022-004 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 2022-001 to be a significant deficiency.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the West Baton Rouge Parish 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned cost as item 2022-005.

West Baton Rouge Parish Sheriff's Response to Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gonzales, Louisiana
March 24, 2023

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

A. SUMMARY OF AUDIT RESULTS

Financial Statements

1. The auditors' report expressed an unmodified opinion on whether the financial statements of the West Baton Rouge Parish Sheriff's Office were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the financial statements is reported in the Independent Auditors' 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*. Three material weaknesses are reported.
3. One instance of noncompliance material to the financial statements of the West Baton Rouge Parish Sheriff's Office which is required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiency:

2022-001 Financial Oversight

Criteria: Internal Controls should be in place to provide for the timely review of monthly financial information and bank reconciliations.

Condition: All bank reconciliations are not reviewed by someone that is independent of the collection, disbursement and financial reporting responsibilities for that account. The Sheriff did not document its review of financial information during the year to evidence its financial oversight.

Cause: Internal controls are not in place to ensure timely review financial information and bank reconciliations for all accounts.

Effect: Lack of adequate oversight over the reconciliation process and financial reporting presents a risk of using inaccurate financial information to monitor the entity's income and expenditures against its budget and to assess its overall financial health on an ongoing basis.

Recommendation: The Sheriff should review bank reconciliations for all accounts and document its review of financial information on a monthly basis.

Management's corrective action plan: Management will have a person independent of the collection, disbursement, and financial reporting process review all bank reconciliations monthly and timely. The Sheriff or designated member of senior management will sign off on the monthly review package that includes financial information, budget to actual comparisons and bank reconciliations.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

Material Weaknesses:

2022-002 Internal Control Deficiencies Over Disbursement Process

Criteria: Internal controls should be in place to segregate the duties of processing, coding, recording transactions to the general ledger, and adding/editing the vendor master file. In addition, controls should be in place for the safekeeping of the blank check stock and signature stamp.

Condition: Subsequent to year end, the Legislative Auditor's Office performed an investigative audit as a result of receiving a misappropriation notice from the Sheriff. It was discovered that bank records show two checks totaling \$1,680 from one of the fiduciary bank accounts were paid to a WBRSO employee, but the accounting records were altered to show a different payee after the checks were negotiated. The employee primarily responsible for the accounting for fiduciary funds took funds from the fiduciary accounts, improperly altered transactions in the accounting records, using the funds for her personal benefit.

Cause: Employees that process disbursements are tasked with and have the ability to process, code, and record transactions to the general ledger, as well as add/edit the vendor master file, without adequate oversight or review. It was also noted that the blank check stock and signature stamp was not properly secured.

Effect: This lack of segregation of duties over the disbursement process without mitigating factors provides for the risk of financial reporting errors, the opportunity to commit fraud and resulted in an employee initiating and executing fraudulent transactions.

Recommendation: In addition to the recommendations of the Louisiana Legislative Auditor in their investigative report issued February 15, 2023 that the Sheriff should eliminate the signature stamp and assign check signing duties to senior management, the Sheriff should review the duties within the accounting department to identify where duties are not properly segregated and amend its policies to address those deficiencies in internal controls over the disbursement process or provide mitigating factors to prevent and detect errors in financial reporting or misappropriations of public funds with the resources available.

Management's corrective action plan: The accounting clerk responsible for the theft is no longer employed by our office and full restitution has been made for the stolen funds. An investigation was performed by the Sheriff's office that resulted in charges being filed against the former employee and their arrest. All matters have been turned over the District Attorney and is currently being adjudicated. Management has secured the check stock by placing under video surveillance. The signature stamp is no longer in use and check signing duties have been designated to senior staff. Management has reviewed its accounting department duties and has segregated job duties to provide better internal controls over the disbursement process.

2022-003 Internal Control Deficiencies Over Cash Collection Process

Criteria: Internal controls should be in place to segregate the duties of collecting, processing, coding, reconciling, and recording cash transactions to the general ledger and preparing deposit slips. In addition, policies should reflect compliance with Louisiana Law that public funds received shall be deposited daily whenever practicable.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

Material Weaknesses:

2022-003 Internal Control Deficiencies Over Cash Collection Process (continued)

Condition: Subsequent to year end, the Legislative Auditor's Office performed an investigative audit as a result of receiving two misappropriation notices from the Sheriff. It was discovered that the Sheriff's office received \$158,852 more in traffic ticket revenue than was deposited from July 1, 2018 to July 31, 2022. West Baton Rouge Sheriff's Office accounting records show that the traffic ticket clerk primarily responsible for traffic tickets recorded false transactions to conceal the cash taken for personal use.

It was also discovered that the Sheriff's office received \$6,996 more in fiduciary funds than was deposited from January 1, 2022 to August 2, 2022. The accounting clerk primarily responsible for the accounting for fiduciary funds took funds from the fiduciary accounts, improperly altered transactions in the accounting records, using the funds for her personal benefit.

Cause: The Sheriff does not have adequate segregation of duties or mitigating factors over the cash collection, recording or daily deposit process. Employees that collect cash have the authority and ability to process, code, and record transactions to the general ledger without adequate oversight, reconciliation or review. In addition, cash collections were not reconciled to supporting documentation or deposited into the bank on a daily basis.

Effect: This lack of segregation of duties over the collection process without mitigating factors provides for the risk of financial reporting errors, the opportunity to commit fraud and resulted in employees initiating and executing fraudulent transactions.

Recommendation: The Louisiana Legislative Auditor recommended in their investigative report issued February 15, 2023 that the Sheriff should stop accepting cash payments, assign an employee that does not collect payments to receive and deposit collections from cashiers daily, reconcile deposits to receipts, and make daily deposits as required by law. In addition, the Sheriff should review the duties within the accounting department to identify where duties are not properly segregated and amend its policies to address those deficiencies in internal controls over the cash collection and daily deposit process or provide mitigating factors to prevent and detect errors in financial reporting or misappropriations of public funds with the resources available.

Management's corrective action plan: The traffic ticket clerk responsible for the theft of traffic ticket revenue is no longer employed by our office and no restitution has been made for the stolen funds. The accounting clerk responsible for the theft of fiduciary funds is no longer employed by our office and partial restitution has been made for the stolen funds. In both instances, an investigation was performed by the Sheriff's office that resulted in charges being filed against both former employees and their arrest. All matters have been turned over the District Attorney and is currently being adjudicated. Along with our current online payment options, we believe a fully automated kiosk system will allow us to reduce the handling of cash payments. This will give the public several fully automated options to pay. We are currently in negotiations with several vendors to help us make this transition. We have assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers. We now settle our cash drawers daily, along with ensuring they balance and match all accounting entries. We also ensure all deposits are made daily and brought to the bank.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

Material Weaknesses:

2022-004 Credit Cards

Criteria: Internal controls should be in place to segregate the duties of initiating, approving, authorizing use, executing purchases using credit cards and recording the transactions

Condition: The Sheriff does not adequately monitor the use of the credit cards issued in the Sheriff's name nor was there evidence that someone approved the monthly credit card statement prior to processing checks for payments. Employees that have the authority to approve, execute and record disbursement transactions have the ability to initiate and execute credit card transactions without prior approval. It was also noted that certain cards were issued and authorized in employee's names, however, a different employee had custody of the card for use. In addition, purchase orders were approved after the date of the receipt of the credit card transactions.

Cause: The Sheriff does not adhere to its policy to monitor, issue and execute credit card transactions.

Effect: The Sheriff's credit card can be used to purchase items prior to proper authorization. The lack of such oversight can lead to the misuse of the Sheriff's credit card and risk violation of LA Constitution, Article VII, Section 14(A).

Recommendation: The Sheriff should review the outstanding cards issued in its name and the authorized users to develop a master listing of cards to ensure only authorized users have access to the cards and that the cards are issued properly. The Sheriff should also assess the current practices of its credit use to address the areas not consistent with its policy to ensure adequate segregation of duties and authorization of such transactions.

Management's corrective action plan: Management will develop a master listing of cards to ensure credit cards are issued to authorized users. We also intend to update our policy implementing credit card uses and establish a purchase order system to authorize and approve purchases.

C. FINDINGS – COMPLIANCE

2022-005 Financial Statements Issued After Due Date

Criteria: State law requires the Sheriff to submit to the Louisiana Legislative Auditor audited financial statements within six months of year end or December 31, 2022.

Condition: The audit report was submitted after the statutory due date.

Cause: Certain matters came to the attention of the Sheriff's office that resulted in an investigation performed by the Louisiana Legislative Auditor. Resources provided by the Sheriff's office to assist in this investigation delayed the preparation for the financial statement audit.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

C. FINDINGS – COMPLIANCE (continued)

2022-005 Financial Statements Issued After Due Date (continued)

Effect: The Sheriff is not in compliance with Louisiana Revised Statute 24:513

Recommendation: The Sheriff should develop financial close policies and procedures ensure monthly and annually reporting requirement are met, even in the circumstance where resources are required elsewhere.

Management's Response: The Sheriff concurs with the finding and will implement measures to comply with Louisiana audit reporting requirements going forward.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022

A. FINDINGS – FINANCIAL STATEMENT AUDIT

None noted

B. FINDINGS – COMPLIANCE

2021-001 Budget Law

Condition: Actual revenues in the General Fund had an unfavorable variance of 10.4% to the final budgeted revenues and other sources. The Prisoner Welfare Fund actual expenditures had an unfavorable variance of 6.17% to the final budgeted expenditures and other uses.

Current Status: No similar finding reported in current year.

WEST BATON ROUGE PARISH SHERIFF
STATEWIDE AGREED-UPON PROCEDURES REPORT
YEAR ENDED JUNE 30, 2022



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mike Cazes, West Baton Rouge Parish Sheriff, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The West Baton Rouge Parish Sheriff's management is responsible for those C/C areas identified in the SAUPs.

The West Baton Rouge Parish Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 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:

Written Policies and Procedures

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Written policies and procedures were obtained and address the functions noted above with the exception of allowable business uses.

Management's response: The Sheriff intends to amend its policy to address allowable business uses and authorized users.

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

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

- 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) requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

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

Management's response: The Sheriff intends to amend its policy to address all functions noted.

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

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

- 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.

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

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and address the functions noted above with the exception of training and annual reporting.

Management's responses: The Sheriff intends to amend its policy to address training and annual reporting.

Board (or Finance Committee, if applicable)

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.

Not applicable.

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.

Not applicable.

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.

Not applicable.

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:

Obtained listing of client bank accounts for the fiscal period from management and management's representation that listing is complete.

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

Three of five bank reconciliations did not include evidence that they were prepared within two months of the related statement closing date.

Management's responses: The Sheriff intends to implement procedures to document the individuals responsible for preparing and reviewing all bank reconciliations as well as the date those responsibilities were performed.

- 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

Three of five bank reconciliations did not include evidence that they were reviewed by a manager.

Management's responses: The Sheriff intends to implement procedures to document the individuals responsible for preparing and reviewing all bank reconciliations as well as the date those responsibilities were performed.

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

Three of five bank reconciliations included reconciling items that have been outstanding for more than 12 months from the statement closing date and management did not have documentation reflecting that it has researched those reconciling items.

Management's responses: The Sheriff intends to implement procedures to document such outstanding items and resolve these items in a timely manner.

Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites and management's representation that listing is complete.

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:

Obtained a listing of collection locations and management's representation that listing is complete.

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

Employees responsible for cash collections share cash drawers.

Management's Response: Management currently has a system in place that allows each employee to have a unique log in to identify and allocate cash collected by each employee. Management will work towards a system for non-shared cash drawer as well as implementing a fully automated kiosk system to reduce to collection and handling of cash.

- 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.

It was noted that employees responsible for collecting cash are responsible for preparing/making bank deposits without another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Management's Response: Management has assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers.

- 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.

Employees responsible for collecting cash is responsible for posting collection entries to the general ledger or subsidiary ledgers without another employee/official responsible for reconciling ledger postings to each other and to the deposit.

Management's Response: Management has assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers.

- 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 verifies the reconciliation.

One employee responsible for reconciling cash collections to the general ledger is responsible for collecting cash without another employee verifying the reconciliation.

Management's Response: Management has assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers.

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

No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions noted for fifteen of seventeen. Supporting documentation for two of seventeen deposits were not provided and we were unable to determine if a receipt was required for the deposit.

Management's Response: Management will implement time stamping with initials on necessary items.

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

No exceptions noted for fifteen of seventeen. Supporting documentation for two of seventeen deposits were not provided and we were unable to trace related documentation to the deposit slip.

Management's Response: Management will implement date stamping with initials on necessary items.

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

No exceptions noted.

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

No exceptions noted for twelve of seventeen. Supporting documentation for four of seventeen deposits were not provided or did not document the date of receipt. Therefore, we were unable to determine if the deposit was made within one day of collection. One of seventeen collections was not deposited within one day of collection.

Management's Response: Management will implement date stamping with initials on necessary items.

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

No exceptions noted.

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).

Obtained listing of locations that process payments and management's representation that listing is complete.

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.

No exception noted.

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

One employee has the ability and authority to approve payments to vendors. No exceptions noted for the other three employees that process payments to vendors as they are not authorized signers.

Management's Response: Management will have at least two employees involved in processing and approving payments.

- 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.

The employees responsible for processing payments are not prohibited from adding/modifying vendor files.

Management's response: Management will work on increasing its controls on who can add/modify 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.

Employee responsible for processing payments is given signed checks first to put in envelopes, then brings payments to another individual to mail.

Management's response: Management will give checks to someone not responsible for processing payments.

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

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

No exception noted for disbursement matching the related original itemized invoice, however, three of five disbursements selected included deliverables and supporting documentation was not evident that deliverables included on invoice were received by entity.

Management's response: Management will work to establish a central location where all items are delivered and matched to invoice.

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

No exception noted for evidence of segregation of duties for AUP #9a or #9b. Exceptions noted for each employee in regards to adding/modifying vendor files under #9c and #9d for mailing payments.

Management's response: Management will amend its policy in regards to who can add/modify vendor files as well as delegate the responsibility of mailing payments to vendors to an individual not responsible for processing payment.

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.

Obtained listing of the credit cards and management's representation that listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all 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 whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

No evidence that the monthly statement or combined statement and supporting documentation were reviewed and approved.

Management's response: Management will amend its policy to implement its purchase order procedures for credit card purchases.

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

No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted in regards to (1) an original itemized receipt that identifies precisely what was purchased and (3) documentation of the individuals participating in meals (for meal charges only).

Written documentation of the business/public purpose was not documented on all receipts.

Management's response: Management will amend its policy to implement its purchase order procedures to include documentation of the business purpose during the approval process as well as work towards documenting the business purpose by writing on necessary information on receipts for the review process to ensure consistency throughout the disbursement process.

Travel and Travel -Related Expense Reimbursements (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:

Obtained listing of travel and related expense reimbursements and management's representation that listing is complete.

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted for three of five reimbursements selected. Two of five reimbursements selected reimbursed the employee for more than the actual itemized receipt.

Management's response: Management will amend its policy and work to move away from using the reimbursement method.

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

No exceptions noted.

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

No exceptions noted.

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:

Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

Contracts selected for testing were not amended.

- 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 exceptions noted.

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.

Obtained listing of employees and management's representation that listing was complete. Agreed paid salaries to authorized salaries/pay rates in the personnel file without exception.

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).

No exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

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

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

- 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' cumulate 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.

Obtained listing of employees or officials that received termination payments during the fiscal period and management's representation that the list is complete.

No exceptions noted.

- 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.

Management represented that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

Ethics

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

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

No exceptions noted.

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

Not applicable, no changes to the entity's ethics policy during the fiscal period.

Debt Service

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

No debt was issued during the fiscal period.

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

The Sheriff did not have debt outstanding at the end of the fiscal period.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management represented that there were two instances where misappropriations of public funds occurred during the fiscal period and we observed that both matters were reported to the Louisiana Legislative Auditor and West Baton Rouge District Attorney.

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

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- 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.

We performed the procedure and discussed the results with management.

- 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 calendar year.

No exceptions noted.

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).

The Sheriff does not have its sexual harassment policy and complaint procedure posted on its website.

Management's response: The Sheriff will post its sexual harassment policy and complaint procedure to its website.

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 that 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;

No exceptions noted.

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

No exception noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

We are required to be independent of the West Baton Rouge Parish Sheriff 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 result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Diez, Dupuy + Ruiz

Gonzales, Louisiana
March 24, 2023