

**JACKSON PARISH SHERIFF  
JONESBORO, LOUISIANA**

**ANNUAL FINANCIAL REPORT  
JUNE 30, 2019**

Jackson Parish Sheriff  
Jonesboro, Louisiana  
June 30, 2019

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Required Supplementary Information		
Management's Discussion and Analysis	-	1-5
Independent Auditor's Report		6-8
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	A	11
Statement of Activities	B	12
Fund Financial Statements		
Balance Sheet-Governmental Funds	C	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	15
Statement of Revenues, Expenditures and Changes in Fund Balances	E	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	F	17
Statement of Fiduciary Net Position-Fiduciary Funds	G	18
Notes to Financial Statements	-	20-38
Other Required Supplementary Information		
Budgetary Comparison Schedule-General Fund	H	40
Schedule of Employer's Share of Net Pension Liability	I	41
Schedule of Employer Contributions	J	42
Schedule of Changes in Net OPEB Liability and Related Ratios	K	43

Jackson Parish Sheriff  
Jonesboro, Louisiana  
June 30, 2019

TABLE OF CONTENTS  
(continued)

	<u>Exhibit</u>	<u>Page</u>
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	L	44
Annual Reporting Requirement of Sheriff as Ex Officio Tax Collector to Legislative Auditor		45
Supplementary Information		
Fiduciary Funds-Agency Funds	M	47
Combining Schedule of Changes in Net Position- Fiduciary Funds-Agency Funds	N	48-49
Other Reports		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	O	51-52
Schedule of Audit Results	P	53

# JACKSON PARISH SHERIFF

P. O. Box 303  
Jonesboro, LA 71458-0303

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As Management of the Jackson Parish Sheriff, we offer readers of the Jackson Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Jackson Parish Sheriff as of and for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the Sheriff's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources. Certain comparative information is presented to provide an overview of the Sheriff's operations.

### FINANCIAL HIGHLIGHTS

The Sheriff's assets exceeded its liabilities (Net Position) on June 30, 2019 and 2018, by \$11,887,038 and \$12,235,396, respectively. The Sheriff's net position decreased by \$348,358 as a result of this year's operations. Total Net Position is comprised of the following:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Capital assets, net of accumulated depreciation	\$ 575,436	\$ 716,410
Unrestricted Net Position which represents the portion available to maintain continuing obligations to citizens and creditors	<u>11,311,602</u>	<u>11,518,986</u>
Total Net Position	<u>\$11,887,038</u>	<u>\$12,235,396</u>

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Sheriff as a whole and present a longer-term view of the Sheriff's finances. These statements tell how the services were financed in the short-term as well as what remains for future spending.

### FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities. The Sheriff uses funds to ensure and demonstrate compliance with finance related laws and regulations. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources at the end of the year. As the Government-wide Financial Statements includes the long-term view, comparisons between these two views may provide insight into the long-term impact as short-term financing decreases. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the difference between these two views.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies and deposits held pending court action. The Sheriff reports these as agency funds.

#### OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents Other Required Supplementary Information consisting of a comparison of budgeted revenues and expenditures to actual revenues and expenditures, schedules of employer's share of net pension liability and contributions, schedule of changes in net OPEB liability and related ratios, schedule of compensation, benefits and other payments to the sheriff, and annual reporting requirement of sheriff as ex officio tax collector to LLA.

#### FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in Net Position may be observed and used to discuss the changing financial position of the Sheriff as a whole.

#### CAPITAL ASSETS

The Sheriff's investment in capital assets as of June 30, 2019 is \$575,436 (net of accumulated depreciation). This investment in capital assets includes office furniture, radios, vehicles and buildings. The Sheriff's major capital assets are vehicles. Additional information on the Sheriff's capital assets can be found on page 26 of this report.

#### LONG-TERM OBLIGATIONS

At the end of the fiscal year, the Sheriff had total long-term obligations of \$8,631,353, consisting of post-employment benefits and net pension liability.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2019</u>	<u>2018</u>
ASSETS:		
Current Assets-		
Cash & Cash Equivalents	\$19,124,799	\$19,201,835
Receivables	2,953,067	1,057,797
Due from Other Funds	90	90
Non-current Assets-		
Capital Assets (net)	<u>575,436</u>	<u>716,410</u>
Total Assets	<u>\$22,653,392</u>	<u>\$20,976,132</u>
DEFERRED OUTFLOWS OF RESOURCES:	\$ <u>2,389,965</u>	\$ <u>2,131,553</u>
LIABILITIES:		
Current Liabilities-		
Accounts Payable	\$ 2,595,776	\$ 862,506
Accrued Expenses	100,493	80,521
Non-current Liabilities-		
OPEB Payable	5,219,762	5,692,965
Net Pension Liability	<u>3,411,591</u>	<u>3,468,463</u>
Total Liabilities	<u>\$11,327,622</u>	<u>\$10,104,455</u>
DEFERRED INFLOWS OF RESOURCES:	\$ <u>1,828,697</u>	\$ <u>767,834</u>
NET POSITION:		
Net Investment in Capital Assets	\$ 575,436	\$ 716,410
Unrestricted	<u>11,311,602</u>	<u>11,518,986</u>
Total Net Position	<u>\$11,887,038</u>	<u>\$12,235,396</u>

The Sheriff continues to maintain operations with no financing. This is an indication of the Sheriff's ability to pay obligations as they become due.

## Summary of Statement of Activities

Comparative data for government-wide information is presented to assist analysis. The following table provides a summary of the Sheriff's changes in Net Position:

	<u>2019</u>	<u>2018</u>
REVENUES:		
Charges for Services/Fines	\$ 9,995,452	\$ 7,410,379
Operating and Capital Grants	5,697,085	3,993,449
Ad Valorem Taxes	4,451,784	4,456,111
Miscellaneous	<u>396,418</u>	<u>355,045</u>
Total Revenues	\$20,540,739	\$16,214,984
EXPENSES:		
Public Safety	<u>20,889,097</u>	<u>15,756,035</u>
Change in Net Position	\$ <u>(348,358)</u>	\$ <u>458,949</u>

The change in Net Position for 2019 is \$(348,358), which is a decrease of \$807,307 from the prior year. Total net position decreased by 7% in the current year.

### GOVERNMENTAL FUNCTIONAL EXPENSES

The functions of the Sheriff are public safety and law enforcement activities and parish-wide tax collections.

### GENERAL BUDGETARY HIGHLIGHTS

For the year ended June 30, 2019, revenues were within the 5% variance allowed, but expenditures had an unfavorable variance of 6%.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The fiscal year 2019-2020 budget is forecasted to provide \$36,284,852 in estimated surplus and revenues to fund costs of \$36,251,213. Capital Outlay is budgeted in the amount of \$215,000 to be used for the acquisition of vehicles and other law enforcement equipment.

### CONTACTING THE SHERIFF'S OFFICE

This financial report is designed to provide a general overview of the Sheriff's finances, compliance with governmental financial reporting laws and regulations and demonstrate the Sheriff's commitment to public accountability. If you have additional questions about this report or would like to request additional information, contact Andy Brown, Sheriff, 500 East Court Street, Jonesboro, LA 71251.

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**INDEPENDENT AUDITOR'S REPORT**

Andy Brown, Sheriff  
of Jackson Parish  
500 East Court Street  
Jonesboro, LA 71251

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the major fund, fiduciary funds, and the aggregate remaining fund information of the Jackson Parish Sheriff (Sheriff) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, fiduciary funds, and the aggregate remaining fund information of the Sheriff as of June 30, 2019, 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.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 5 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 Management's Discussion and Analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Sheriff's primary government. The Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Annual Reporting Requirement of Sheriff as Ex Officio Tax Collector, and Combining Schedule of Changes in Fiduciary Net Position listed as other supplementary information in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Annual Reporting Requirement of Sheriff as Ex Officio Tax Collector, and Combining Schedule of Changes in Fiduciary Net Position, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Annual Reporting Requirement of Sheriff as Ex Officio Tax Collector, and Combining Schedule of Changes in Fiduciary Net Position are fairly stated in all material respects in relation to the financial statements as a whole.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2019, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

*Thomas, Cunningham Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's  
Natchitoches, Louisiana

November 6, 2019

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Statement of Net Position  
June 30, 2019

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Current Assets-	
Cash & Cash Equivalents	\$19,124,799
Due from Other Funds	90
Revenue Receivable	<u>2,953,067</u>
Total Current Assets	\$22,077,956
Non-current Assets-	
Capital Assets (Net)	<u>575,436</u>
Total Assets	<u>\$22,653,392</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Pensions	\$ <u>2,389,965</u>
<b>LIABILITIES:</b>	
Current Liabilities-	
Accounts Payable	\$ 2,595,776
Accrued Expenses	<u>100,493</u>
Total Current Liabilities	\$ <u>2,696,269</u>
Long-term Liabilities-	
Net OPEB Obligation	\$ 5,219,762
Net Pension Liability	<u>3,411,591</u>
Total Long-term Liabilities	\$ <u>8,631,353</u>
Total Liabilities	<u>\$11,327,622</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Pensions	\$ 1,233,635
OPEB	<u>595,062</u>
Total Deferred Outflows of Resources	\$ <u>1,828,697</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	\$ 575,436
Unrestricted	<u>11,311,602</u>
Total Net Position	<u>\$11,887,038</u>

See independent auditor's report and notes to the financial statements.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Statement of Activities  
June 30, 2019

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Fees, Fines Commissions, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
Public Safety	<u>\$20,889,097</u>	<u>\$9,995,452</u>	<u>\$5,686,142</u>	<u>\$10,943</u>	<u>\$ (5,196,560)</u>
		General Revenues:			
		Taxes-			
		Ad Valorem			\$ 4,451,784
		Non-employer Pension Revenue			363,211
		Miscellaneous			<u>33,207</u>
		Total General Revenues			<u>\$ 4,848,202</u>
		Change in Net Position			\$ (348,358)
		Net Position at Beginning of Year			<u>12,235,396</u>
		Net Position at End of Year			<u>\$11,887,038</u>

## FUND FINANCIAL STATEMENTS

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Balance Sheet-Governmental Funds  
June 30, 2019

	<u>Major Fund</u> General Fund	<u>Nonmajor Fund</u> Jury Service Fund	Total Governmental Funds
<b>ASSETS:</b>			
Cash & Cash Equivalents	\$19,112,057	\$12,742	\$19,124,799
Due from Other Funds	0	90	90
Revenue Receivable	<u>2,953,067</u>	<u>0</u>	<u>2,953,067</u>
Total Assets	<u>\$22,065,124</u>	<u>\$12,832</u>	<u>\$22,077,956</u>
<b>LIABILITIES:</b>			
Accounts Payable	\$ 2,595,776	\$ 0	\$ 2,595,776
Accrued Expenses	<u>100,493</u>	<u>0</u>	<u>100,493</u>
Total Liabilities	<u>\$ 2,696,269</u>	<u>\$ 0</u>	<u>\$ 2,696,269</u>
<b>FUND BALANCE:</b>			
Restricted for:			
Jury Notices	\$ 0	\$12,832	\$ 12,832
Unassigned	<u>19,368,855</u>	<u>0</u>	<u>19,368,855</u>
Total Fund Balance	<u>\$19,368,855</u>	<u>\$12,832</u>	<u>\$19,381,687</u>
Total Liabilities and Fund Balance	<u>\$22,065,124</u>	<u>\$12,832</u>	<u>\$22,077,956</u>

Jackson Parish Sheriff  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2019

Total Fund Balance for the Governmental Funds  
at June 30, 2019 \$19,381,687

Amounts reported for Governmental Activities  
in the Statement of Net Position are different because:

The following used in Governmental Activities are not  
Current financial resources and, therefore, are not reported  
in the Governmental Funds Balance Sheet:

Capital Assets	2,002,002
Less, Accumulated Depreciation	(1,426,566)
Deferred Outflows of Resources	2,389,965

The following are not due and payable in the current  
period and, therefore, are not reported in the Governmental  
Fund Balance Sheet:

Net OPEB Obligation	(5,219,762)
Net Pension Liability	(3,411,591)
Deferred Inflows of Resources	<u>(1,828,697)</u>

Total Net Position of Governmental Activities  
at June 30, 2019 \$11,887,038

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2019

	<u>Major Fund</u> General <u>Fund</u>	<u>Nonmajor Fund</u> Jury Service <u>Fund</u>	Total Governmental <u>Funds</u>
<b>REVENUES:</b>			
Taxes-			
Ad Valorem	\$ 4,451,784	\$ 0	\$ 4,451,784
Fees, Fines, Commissions & Charges for Services-			
Civil & Criminal Fees	45,466	0	45,466
Commissions-Sheriff's Revenue Sharing	63,466	0	63,466
Commissions-Fines & Bonds	34,846	0	34,846
Commissions-Judicial Sales & Seizures	39,020	0	39,020
Commissions-Correctional Center	160,000	0	160,000
Prisoner Maintenance	9,469,901	0	9,469,901
Other Fees, Fines, Commissions & Charges for Services	181,129	1,623	182,752
Operating Grants & Contributions-			
Reimbursement-Correctional Center	5,375,199	0	5,375,199
State Supplemental Pay	274,110	0	274,110
State Revenue Sharing	36,833	0	36,833
Capital Grants & Contributions-			
Law Enforcement Grant	10,943	0	10,943
Miscellaneous-			
Interest	<u>33,131</u>	<u>77</u>	<u>33,208</u>
Total Revenues	<u>\$20,175,828</u>	<u>\$ 1,700</u>	<u>\$20,177,528</u>
<b>EXPENDITURES:</b>			
Public Safety-			
Current-			
Personnel Services & Related Benefits	\$ 9,635,330	\$ 0	\$ 9,635,330
Operating Services	10,055,185	781	10,055,966
Materials & Supplies	308,280	0	308,280
Travel & Other Charges	15,499	0	15,499
Capital Outlay	<u>97,461</u>	<u>0</u>	<u>97,461</u>
Total Expenditures	<u>\$20,111,755</u>	<u>\$ 781</u>	<u>\$20,112,536</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 64,073	\$ 919	\$ 64,992
Fund Balance-Beginning of Year	<u>19,304,782</u>	<u>11,913</u>	<u>19,316,695</u>
Fund Balance-End of Year	<u>\$19,368,855</u>	<u>\$12,832</u>	<u>\$19,381,687</u>

See independent auditor's report and notes to the financial statements.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of the Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2019

Net Change in Fund Balance - Governmental Funds \$ 64,992

Amounts reported for Governmental Activities  
in the Statement of Activities are different because:

Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These timing differences are summarized below:

Capital Outlay	97,461
Depreciation Expense	(238,435)
Non-Employer Pension Revenue	363,211
Pension Expense	64,787
OPEB Expense	<u>(700,374)</u>
Change in Net Position of Governmental Activities	<u>\$(348,358)</u>

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Fiduciary Fund Type-Agency Funds  
Statement of Fiduciary Net Position  
For the Year Ended June 30, 2019

	Sheriff's Civil <u>Fund</u>	Sheriff's Criminal <u>Fund</u>	Tax Collector <u>Fund</u>	<u>Total</u>
<b>ASSETS:</b>				
Cash & Cash Equivalents	<u>\$6,940</u>	<u>\$90,140</u>	<u>\$703,808</u>	<u>\$800,888</u>
<b>LIABILITIES:</b>				
Due to Other Funds	\$ 0	\$ 90	\$ 0	\$ 90
Due to Other Governments	<u>6,940</u>	<u>90,050</u>	<u>703,808</u>	<u>800,798</u>
Unsettled Deposits	<u>\$6,940</u>	<u>\$90,140</u>	<u>\$703,808</u>	<u>\$800,888</u>

See independent auditor's report and notes to the financial statements.

## NOTES TO FINANCIAL STATEMENTS

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

**Introduction:**

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

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

In accordance with certain laws the Sheriff accounts for the collection and disbursement of bonds, fines and costs and forfeitures imposed by the district court.

1. **Summary of Significant Accounting Policies:**

A. Reporting Entity-

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

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

B. Basis of Presentation-

Government-Wide Financial Statements-

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

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. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

#### Fund Financial Statements-

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

#### Governmental Funds-

##### General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422 is the Sheriff's only major fund and is used to account for the operations of the Sheriff's office. The Sheriff's major sources of revenue are from revenues from the State of Louisiana for prisoner maintenance and US Department of Homeland Security for the detention and care of aliens. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance, and various other reimbursements, fees, grants, and commissions. General operating expenditures are paid from this fund.

##### Special Revenue Fund - Jury Service Fund

The special revenue fund is used to account for the proceeds of specific revenue sources. Those revenues are legally restricted to expenditures for specified purposes. Per criteria for Fund Financial Statements above, this fund is presented as a nonmajor fund in the governmental fund financial statements.

#### Fiduciary Funds-

##### Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements present a Statement of Fiduciary Net Position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds, which are custodial in nature (assets equal liabilities); do not involve measurement of results of operations.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

D. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Sheriff.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

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

The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Vehicles	5 years
Radios	10 years
Buildings	25-40 years

#### Pensions-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (System) and additions to/deductions from the System' fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

#### Deferred Outflows/Inflows of Resources-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

#### Equity Classifications

In the government-wide statements, equity is classified as Net Position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

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

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$19,368,855. If applicable, the Sheriff would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

E. Budget-

Prior to the beginning of each fiscal year, the Sheriff adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

F. Estimates-

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

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

G. Compensated Absences-

Employees are not allowed to carry leave forward from year to year, therefore, no entry is made for compensated absences.

2. Levied Taxes:

The Sheriff levied the following millages for ad valorem taxes for 2018.

Constitutional	12.52	indefinite
Law Enforcement Sheriff	<u>8.43</u>	expires 2025
Total	20.95	

The taxes are normally collected in December of the current year and January and February of the ensuing year. Property taxes are recorded as receivables and revenues in the year assessed. The property tax calendar is as follows:

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes due	December 31
Penalties & interest added	January 31 of ensuing year
Tax Sale	May 15 of ensuing year

Total assessed value was \$213,236,750 in 2018. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property tax. In 2018, this homestead exemption was \$20,982,950 of the total assessed value. The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Value</u>
Compass Energy Operating, LLC	\$41,847,030	19.6%
ETC Tiger Pipeline, LLC	\$38,492,880	18.0%
Westrock CP, LLC	\$21,454,760	10.0%
Regency Intrastate	\$20,536,710	9.6%
Enable Gas Transmission, LLC	\$10,469,180	4.9%

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

3. Cash and Cash Equivalents:

The cash and cash equivalents of the Sheriff are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Sheriff will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

At June 30, 2019, the Sheriff had cash and cash equivalents with a bank balances totaling \$22,788,240. Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the Sheriff. All of the Sheriff's deposits were properly secured at June 30, 2019. Of the \$22,788,240 in bank balances, \$871,902 was secured by federal deposit insurance and \$21,916,338 was secured by pledged securities.

4. On-Behalf Payments:

Certain employees of the Jackson Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$274,110.

5. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2019, are as follows:

Governmental Activities	Balance 07-01-18	Additions	Deletions	Balance 06-30-19
Capital Assets:				
Office Furniture, Fixtures and Equipment	\$ 372,421	\$ 40,934	\$ 0	\$ 413,355
Radios	225,525	21,449	0	246,974
Vehicles	1,377,038	35,078	115,675	1,296,441
Buildings	<u>45,232</u>	<u>0</u>	<u>0</u>	<u>45,232</u>
Total Assets	<u>\$2,020,216</u>	<u>\$ 97,461</u>	<u>\$115,675</u>	<u>\$2,002,002</u>

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

<u>Governmental Activities</u>	<u>Balance 07-01-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06-30-19</u>
Less, Accumulated Depreciation:				
Office Furniture, Fixtures and Equipment	\$ 283,616	\$ 43,913	\$ 0	\$ 327,529
Radios	145,784	18,098	0	163,882
Vehicles	853,237	174,953	115,675	912,515
Buildings	<u>21,169</u>	<u>1,471</u>	<u>0</u>	<u>22,640</u>
Total Depreciation	<u>\$1,303,806</u>	<u>\$ 238,435</u>	<u>\$115,675</u>	<u>\$1,426,566</u>
Net Capital Assets	<u>\$ 716,410</u>	<u>\$(140,974)</u>	<u>\$ 0</u>	<u>\$ 575,436</u>

Depreciation expense of \$238,435 for the year ended June 30, 2019, was charged to the Public Safety function.

6. Receivables:

The following is a summary of receivables at June 30, 2019:

Class of Receivable – General Fund

Correctional Center Reimbursement	\$ 446,162
Fees, Charges and Commissions-	
Civil and Criminal Fees	4,242
Fines and Bonds	2,760
Garnishments	486
Feeding and Keeping Prisoners	2,459,284
Other Fees, Fines, and Commissions	<u>40,133</u>
Total	<u>\$2,953,067</u>

7. Pension Plan:

*Plan Description*

The Sheriff contributes to the Sheriffs' Pension and Relief Fund (System) which is a cost-sharing multiple employer defined benefit pension plan established in accordance with the provisions of LA Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. Membership in the System is required for all eligible sheriffs and deputies. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at [www.la.state.la.us](http://www.la.state.la.us).

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

*Benefits Provided*

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

For members who become eligible for membership on or before December 31, 2011:

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

For members whose first employment making them eligible for membership in the system began on or after January 1, 2012:

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

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

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

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

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

Disability Benefits:

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

Survivor Benefits:

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

Deferred Benefits:

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

Back Deferred Retirement Option Plan (Back-DROP):

In lieu of receiving a service retirement allowance, any member of the System 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

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

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 Adjustments:

Cost-of-living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost-of-living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost-of-living adjustments is dependent on the funded ratio.

*Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2018, the actual employer contribution rate was 12.75% with an additional -0-% allocated from the Funding Deposit Account.

In accordance with state statute, the System also 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, 2019. Non-employer contributions for the year ended June 30, 2019 were \$363,212.

The Sheriff's contractually required composite contribution rate for the year ended June 30, 2019 was 12.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Sheriff for the years ended June 30, 2019 and June 30, 2018 were \$921,258 and \$778,760 respectively.

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

At June 30, 2019 and 2018, the Sheriff reported a liability of \$3,411,591 and \$3,468,463 respectively, for its proportionate share of the Net Pension Liabilities. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Sheriff's proportion was .889675%, which was an increase of .08869% from its proportion measured as of June 30, 2017.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

For the year ended June 30, 2019, the Sheriff recognized pension expense of \$807,306 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$49,165.

In addition to the pension expense referred to in the preceding paragraph, the Sheriff also pays the plan members' required contribution for any employee with at least two years of service. For the year ended June 30, 2019, this amount is \$300,294.

At June 30, 2019, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 957,687
Changes in assumption	1,008,514	0
Net difference between projected and actual earnings on pension plan investments	0	202,523
Changes in employer's proportion of beginning net pension liability	459,320	70,785
Differences between employer contributions and proportionate share of employer contributions	873	2,640
Subsequent Measurement Contributions	921,258	0
<b>Total</b>	<b>\$2,389,965</b>	<b>\$1,233,635</b>

The deferred outflows of resources related to pensions resulting from Jackson Parish Sheriff contributions subsequent to the measurement date in the amount of \$921,258, will be recognized as a reduction of the Net Pension Liabilities in the year of June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 246,512
2021	105,355
2022	(272,754)
2023	45,625
2024	110,334
<b>Total</b>	<b>\$ 235,072</b>

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.25%, net of investment expense
Discount Rate	7.25%
Projected Salary Increases	5.5% (2.60% Inflation, 2.90% Merit)
Mortality Rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table for disabled annuitants
Expected Remaining Service Lives	2018 – 6 years 2017 – 7 years 2016 – 7 years 2015 – 6 years 2014 – 6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. 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 System'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.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

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

Estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2018 were as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Rate of Return</u> Real Return Arithmetic Basis	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity Securities	62%	6.9%	4.3%
Fixed Income	23	3.2	0.7
Alternative Investments	<u>15</u>	4.5	<u>0.7</u>
Totals	100%		5.7%
Inflation			<u>2.5</u>
Expected Arithmetic Nominal Return			<u>8.2%</u>

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Sheriff's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Sheriff's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer's proportionate share of net pension liability	\$7,720,886	\$3,411,591	\$(216,343)

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued Sheriffs' Pension and Relief Fund Annual Financial Report at [www.la.la.gov](http://www.la.la.gov).

8. Post-employment Benefits Other Than Pensions:

*Plan description* – The Jackson Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Jackson 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) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

*Benefits Provided* – Medical, dental, and life insurance benefits are provided to employees upon actual retirement. The employer pays a 100% of the medical and dental coverage for the retiree only (not dependents). The employer also pays life insurance coverage after retirement (see section entitled "Life Insurance" below for more details. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; or, age 55 and 15 years of service. Hired after January 1, 2012, age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service.

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

*Employees covered by benefit terms* – At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	12
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>247</u>
	<u>259</u>

**Total OPEB Liability**

The Sheriff's total OPEB liability of \$5,219,762 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

*Actuarial Assumptions and other inputs* – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior Discount rate	3.87%
Discount rate	3.50%
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2019, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2019.

**Changes in the Total OPEB Liability**

Balance at June 30, 2018	\$5,692,965
Changes for the year:	
Service cost	573,831
Interest	231,421
Changes in Assumptions/Inputs	(278,833)
Differences between expected and actual experience	(897,476)
Benefit payments and net transfers	(102,146)
Net changes	(473,203)
Balance at June 30, 2019	\$5,219,762

*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 (2.5%) or 1-percentage-point higher (4.5%) than the current discount rate:

	<b>1.0% Decrease (2.5%)</b>	<b>Current Discount Rate (3.5%)</b>	<b>1.0% Increase (4.5%)</b>
Total OPEB liability	\$6,166,916	\$5,219,762	\$4,463,102

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

*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:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$4,454,057	\$5,219,762	\$6,174,274

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

For the year ended June 30, 2019, the Sheriff recognized OPEB expense of \$779,380. At June 30, 2019, 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	\$0	\$327,847
Changes in Assumptions	0	267,215
Total	\$0	\$595,062

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:	
2020	\$ (25,872)
2021	(25,872)
2022	(25,872)
2023	(25,872)
2024	(25,872)
Thereafter	(465,702)
	<u>\$(595,062)</u>

9. Changes in Agency Balances:

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

Governmental Activities	Balance 07-01-18	Additions	Deletions	Balance 06-30-19
Sheriff's Civil Fund	\$ 5,902	\$ 283,826	\$ 282,788	\$ 6,940
Sheriff's Criminal Fund	107,757	362,304	379,921	90,140
Tax Collector's Fund	<u>1,236,799</u>	<u>22,675,698</u>	<u>23,208,689</u>	<u>703,808</u>
Total	<u>\$1,350,458</u>	<u>\$23,321,828</u>	<u>\$23,871,398</u>	<u>\$800,888</u>

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

10. Leases:

On September 12, 1985, the Jackson Parish Sheriff entered into a 99-year property lease of three acres of land to be used as a firearms and training complex. Total consideration on this lease is \$10 for the entire lease period.

The Jackson Parish Sheriff entered into two property lease agreements as of June 30, 2012. The first lease at Lots 4, 5, and 6 of Block 38, Town of Jonesboro, LA for the patrol and K-9 offices. The term of this lease is for a period of five years beginning March 1, 2016 and ending on February 28, 2021 for a monthly lease amount of \$1,250. There is an option to renew for an additional five years at an increased monthly rate of \$1,500. The second lease was for use as an animal control shelter. The terms of this lease are for a period of four years beginning June 1, 2011 and ending on June 1, 2015 for a monthly lease amount of \$900, which was renewed for an additional four years.

11. State Revenue Sharing Funds:

The revenue sharing funds were distributed as follows:

Jackson Parish:	
Police Jury	\$ 96,343
School Board	74,761
Assessor	25,648
Ambulance Service District	3,977
Sheriff	100,299
Pension Funds	<u>9,859</u>
Total	<u>\$310,887</u>

12. Expenditures of the Sheriff's Office Paid by the Parish Police Jury:

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 Jackson Parish Police Jury.

13. Related Parties:

There were no identified related party transactions.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Notes to Financial Statements  
June 30, 2019

14. Ex-officio Tax Collector:

The amount of cash on hand at year-end was \$703,808. The amount of taxes collected by taxing authority was:

Jackson Parish Police Jury	\$ 4,446,278
Jackson Parish School Board	5,045,198
Jackson Parish Sheriff	4,217,293
Jackson Parish Hospital	2,192,126
Jackson Parish Assessor	1,181,643
Jackson Parish Ambulance Service District	1,040,822
Jackson Parish Recreation District	897,394
Jackson Parish Council on Aging	519,442
LA Forestry Commission	23,906
LA Tax Commission	26,971
Jackson Parish Fire Districts	1,458,049
Pension Funds	<u>601,951</u>
 Total	 <u>\$21,651,073</u>

All assessed taxes after change orders approved by the LA Tax Commission were collected as of June 30, 2019.

15. Deferred Compensation Plan:

All the employees of the Jackson Parish Sheriff are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan which is defined by Internal Revenue Code Section 457. Employees may contribute a portion of their salary to the plan on a pre-tax basis. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period, where they are deposited to an account in the employee's name. The Jackson Parish Sheriff does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the current year, the Sheriff elected to match 60% of contributions for employees with twelve years of service. The contribution match increases by 5% each additional year of service, with a maximum of 100% match. During the current year, the Sheriff's contribution was \$67,020.

16. Subsequent Events:

Management has evaluated events through November 6, 2019, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

Jackson Parish Sheriff  
Jonesboro, Louisiana  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Taxes-				
Ad Valorem	\$ 4,600,000	\$ 4,451,987	\$ 4,451,784	\$ (203)
Fees, Fines, Commissions & Charges for Services-				
Civil & Criminal Fees	25,600	42,130	45,466	3,336
Sheriff's Revenue Sharing	63,000	63,466	63,466	0
Fines & Bonds	22,000	34,560	34,846	286
Judicial Sales & Seizures	38,000	35,260	39,020	3,760
Correctional Center	160,000	160,000	160,000	0
Prisoner Maintenance	6,709,335	8,396,402	9,469,901	1,073,499
Other Fees, Fines, Commissions & Charges for Services	157,560	160,045	181,129	21,084
Operating Grants & Contributions-				
State Supplemental Pay	284,257	294,409	274,110	(20,299)
State Revenue Sharing	38,000	36,833	36,833	0
Reimbursement-Correctional Center	3,653,050	5,292,653	5,375,199	82,546
Capital Grants & Contributions	0	10,943	10,943	0
Interest	<u>24,475</u>	<u>32,021</u>	<u>33,131</u>	<u>1,110</u>
 Total Revenues	 <u>\$15,775,277</u>	 <u>\$19,010,709</u>	 <u>\$20,175,828</u>	 <u>\$ 1,165,119</u>
<b>EXPENDITURES:</b>				
Public Safety-				
Current-				
Personnel Services & Related Benefits	\$ 8,356,674	\$ 9,589,841	\$ 9,635,330	\$ (45,489)
Operating Services	7,110,935	9,051,586	10,055,185	(1,003,599)
Materials & Supplies	261,500	294,100	308,280	(14,180)
Travel & Other Charges	29,000	17,500	15,499	2,001
Capital Outlay	<u>0</u>	<u>44,036</u>	<u>97,461</u>	<u>(53,425)</u>
 Total Expenditures	 <u>\$15,758,109</u>	 <u>\$18,997,063</u>	 <u>\$20,111,755</u>	 <u>\$(1,114,692)</u>
 Excess of Revenues over Expenditures	 \$ 17,168	 \$ 13,646	 \$ 64,073	 \$ 50,427
 Fund Balance - Beginning of Year	 <u>19,304,782</u>	 <u>19,304,782</u>	 <u>19,304,782</u>	 <u>0</u>
 Fund Balance - End of Year	 <u>\$19,321,950</u>	 <u>\$19,318,428</u>	 <u>\$19,368,855</u>	 <u>\$ 50,427</u>

See independent auditor's report and notes to the financial statements.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2019

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
<i>Sheriff's Pension and Relief Fund</i>					
2015	.775523%	\$3,689,858	\$5,129,060	59.88%	87.34%
2016	.774088%	\$3,450,509	\$4,900,340	70.41%	99.23%
2017	.762368%	\$4,838,669	\$5,543,450	87.29%	82.10%
2018	.800980%	\$3,468,463	\$6,107,923	56.79%	88.49%
2019	.889675%	\$3,411,591	\$7,520,475	45.36%	90.41%

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

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

See independent auditor's report and notes to the financial statements.

Jackson Parish Sheriff  
Schedule of Employer Contributions  
For the Year Ended June 30, 2019

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
<i>Sheriff's Pension and Relief Fund</i>					
2015	\$731,357	\$731,357	\$0	\$5,129,060	14.26%
2016	\$715,909	\$715,909	\$0	\$4,900,340	14.61%
2017	\$735,108	\$735,108	\$0	\$5,543,450	13.26%
2018	\$778,760	\$778,760	\$0	\$6,107,923	12.75%
2019	\$921,258	\$921,258	\$0	\$7,520,475	12.25%

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

Changes of Assumptions:

- There were no changes of benefit assumptions for the year ended June 30, 2019.

Jackson Parish Sheriff  
Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Year Ended June 30, 2019

<b>Total OPEB liability</b>	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Service cost	\$ 573,931	\$ 409,771
Interest	231,421	213,037
Changes of benefit terms	-	-
Differences between expected and	(897,476)	578,515
Changes of assumptions	(278,833)	-
Benefit Payments	(102,146)	(603,429)
<b>Net Change in total OPEB liability</b>	<b>\$ (473,103)</b>	<b>\$ 597,894</b>
<b>Total OPEB liability - beginning</b>	<u>5,692,965</u>	<u>5,095,071</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 5,219,862</u>	<u>\$ 5,692,965</u>
Covered-employee payroll	<u>\$ 10,463,005</u>	<u>\$ 6,350,925</u>
Net OPEB liability as a percentage of covered-employee payroll	49.89%	89.64%

Notes to Schedule:

*Benefit Changes.* There were no changes of benefit terms for the year ended June 30, 2019.

*Changes of Assumptions.* The discount rate changed in the current year to 3.87%, which is a .37% increase from the prior year.

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

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended June 30, 2019

Agency Head Name: Andrew Brown, Sheriff

<u>Purpose</u>	<u>Amount</u>
Salary	\$145,761
Sheriff's Expense Account	14,576
Benefits-Insurance	21,296
Benefits-Retirement	43,567
Deferred Compensation	12,000
Benefits-Other	1,786
Car allowance	0
Vehicle provided by government	0
Cell phone	0
Dues	100
Vehicle rental	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	385
Conference travel	0
Housing	0
Unvouchered expenses	0
Special meals	0
Other	<u>0</u>
Total	<u>\$239,471</u>

See independent auditor's report.

STATE OF LOUISIANA

PARISH OF JACKSON

AFFIDAVIT

The Honorable Andrew N. Brown, Sheriff of Jackson Parish

BEFORE ME, the undersigned authority, personally came and appeared, Andrew N. Brown, the sheriff of Jackson Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$703,808 is the amount of cash on hand in the tax collector account on June 30, 2019;

He further deposed and said:

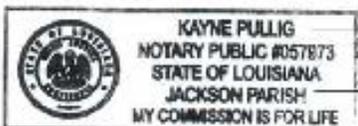
All itemized statements of the amount of taxes collected for tax year 2018, by taxing authority, are true and correct.

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.

  
\_\_\_\_\_  
Sheriff of Jackson Parish

SWORN to and subscribed before me, Notary, this 6<sup>th</sup> day of November 2019, in my office in Jonesboro, Louisiana.  
(City/Town)

 (Signature)



\_\_\_\_\_  
(Print), # \_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
(Commission)

SUPPLEMENTARY INFORMATION

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Supplementary Information  
as of and for the Year Ended June 30, 2019

FIDUCIARY FUNDS - AGENCY FUNDS

SHERIFF'S FUNDS

The *Sheriff's Civil Fund* accounts for funds held in civil suits, sheriff's sales, and garnishments and the disbursement of these collections to the proper recipients in accordance with applicable laws.

The *Sheriff's Criminal Fund* accounts for collection of bonds, fines and costs and the disbursement of these collections to the proper recipients in accordance with applicable laws.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff serve as the collector of parish taxes and fees. The Tax Collector Fund is used to account for the collection of these taxes and fees and the resulting distribution to the appropriate taxing bodies.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Fiduciary Funds-Agency Funds  
Combining Schedule of Changes in Net Position  
For the Year Ended June 30, 2019

	Sheriff's Civil Fund	Sheriff's Criminal Fund	Tax Collector Fund	Total
Unsettled Balances-Beginning of Year	\$ <u>5,902</u>	\$ <u>107,757</u>	\$ <u>1,236,799</u>	\$ <u>1,350,458</u>
ADDITIONS:				
Deposits-				
Ad Valorem Taxes	\$ 0	\$ 0	\$22,353,637	\$22,353,637
State Revenue Sharing (see Note 11)	0	0	310,888	310,888
Interest- Demand Deposits	0	0	794	794
Sheriff's Sales	190,642	0	0	190,642
Garnishments	50,302	0	0	50,302
Bonds	0	81,408	0	81,408
Fines & Costs	0	280,331	0	280,331
Other Deposits	<u>42,882</u>	<u>565</u>	<u>10,379</u>	<u>53,826</u>
Total Additions	<u>\$283,826</u>	<u>\$362,304</u>	<u>\$22,675,698</u>	<u>\$23,321,828</u>
DEDUCTIONS:				
Deposits Settled to-				
Louisiana Department of Agriculture & Forestry	\$ 0	\$ 90	\$ 21,533	\$ 21,623
Jackson Parish-				
Police Jury	0	9,747	4,793,543	4,803,290
School Board	0	0	5,404,790	5,404,790
Sheriff	52,057	58,662	4,571,014	4,681,733
Recreation Department	0	0	951,818	951,818
Clerk of Court	21,120	23,843	2,940	47,903
Assessor	0	0	1,275,637	1,275,637
Ambulance Service District	0	0	1,103,554	1,103,554
Hospital Service District	0	0	2,315,883	2,315,883
Council on Aging	0	0	548,665	548,665
Quitman Fire Protection District No. 1	0	0	314,981	314,981
Ward 2 Fire Protection District	0	0	387,716	387,716
Ward 3 Fire Protection District	0	0	449,214	449,214
Ward 4 Fire Protection District	0	0	377,972	377,972

Continued next page

See independent auditor's report and notes to financial statements.

Jackson Parish Sheriff  
Jonesboro, Louisiana  
Fiduciary Funds-Agency Funds  
Combining Schedule of Changes in Net Position  
For the Year Ended June 30, 2019

	Sheriff's Civil <u>Fund</u>	Sheriff's Criminal <u>Fund</u>	Tax Collector <u>Fund</u>	<u>Total</u>
Pension Funds	\$ 0	\$ 0	\$ 647,498	\$ 647,498
Louisiana Tax Commission	0	0	30,836	30,836
Second Judicial District-				
District Attorney	0	44,173	0	44,173
District Judges	0	64,581	0	64,581
Indigent Defender Board	0	48,541	0	48,541
Attorney's, Litigants, Appraiser, etc.	160,104	0	0	160,104
Garnishments	47,747	0	0	47,747
Refunds	0	25,000	0	25,000
Other Settlements	1,760	66,984	11,095	79,839
Claiborne Parish Police Jury	0	32,759	0	32,759
La. Commission Law Enforcement	<u>0</u>	<u>5,541</u>	<u>0</u>	<u>5,541</u>
 Total Deductions	 <u>\$282,788</u>	 <u>\$379,921</u>	 <u>\$23,208,689</u>	 <u>\$23,871,398</u>
 Unsettled Balances-End of Year	 <u>\$ 6,940</u>	 <u>\$ 90,140</u>	 <u>\$ 703,808</u>	 <u>\$ 800,888</u>

See independent auditor's report and notes to financial statements.

## OTHER REPORTS

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation  
Roger M. Cunningham, CPA - A Professional Corporation  
Jessica H. Broadway, CPA - A Professional Corporation  
Ryan E. Todtenbier, CPA - A Professional Corporation

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

Andy Brown, Sheriff  
of Jackson Parish  
500 East Court Street  
Jonesboro, LA 71251

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the major fund, fiduciary funds and the aggregate remaining fund information as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Jackson Parish Sheriff's (Sheriff) basic financial statements and have issued our report thereon dated November 6, 2019.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2019-001.

## **Jackson Parish Sheriff's Response to Findings**

The Sheriff's response to the finding identified in our audit is described in the accompanying schedule of audit findings. The 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 it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's  
Natchitoches, Louisiana

November 6, 2019

Jackson Parish Sheriff  
Schedule of Audit Results  
Year Ended June 30, 2019

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Jackson Parish Sheriff as of and for the year ended June 30, 2019.
2. The audit did not disclose any material weaknesses in internal control.
3. The audit disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

Compliance-

2019-001 *Local Government Budget Act*

*Criteria* – Louisiana Revised Statutes require that the operating budget be amended if actual revenues are less than budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more.

*Condition* – For the year ended June 30, 2019 actual expenditures were more than budgeted expenditures by more than 5%, and the budget was not amended accordingly.

*Cause* – Oversight of management to ensure the budget was properly amended prior to the year end.

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

*Recommendation* – The Sheriff should institute procedures to ensure that the budget is amended to comply with the Local Government Budget Act.

*Management's Response* – The Sheriff amended the budget as required to comply with the Local Government Budget Act. However, due to an unexpected change in expenditures with only two weeks left in the budget year, time for a second amendment and publication was not possible.

III. PRIOR YEAR AUDIT FINDINGS

No findings identified.