

**St. John the Baptist Parish Sheriff's Office
Laplace, Louisiana**

ANNUAL FINANCIAL REPORT

June 30, 2019





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INDEPENDENT AUDITORS' REPORT

Honorable Michael Tregre, Sheriff
St. John the Baptist Parish Sheriff's Office
Laplace, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff (the "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.

Auditors' Responsibility

Our responsibility is to express opinions 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. 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 auditors' 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 auditors consider internal control relevant to the Sheriff'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 Sheriff'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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff, as of June 30, 2019, and, where applicable, the respective changes in financial position for the year ended thereof 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 budgetary comparison information, and other required supplementary schedules as listed in the table of contents, 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 opinions or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. John the Baptist Parish Sheriff's basic financial statements. The accompanying Affidavit and Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented as mandated by the Louisiana state laws and are not a required part of the financial statements. The accompanying Affidavit, Schedule of Compensation, Benefits, and Other Payments to Agency Head, and Combining Statement of Changes in Assets and Liabilities – Agency Funds on pages 47, 48, 49, and 50, respectively, 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 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 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 accompanying Affidavit, Schedule of Compensation, Benefits, and Other Payments to Agency Head, and Combining Statement of Changes in Assets and Liabilities – Agency Funds 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 December 20, 2019, on our consideration of the St. John the Baptist Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. John the Baptist Sheriff's internal control over financial reporting and compliance.

Carri Riggs & Ingram, L.L.C.

December 20, 2019



Financial Statements

St. John the Baptist Parish Sheriff's Office
Statement of Net Position

June 30,

2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 2,844,878
Investments	4,968,643
Accounts receivable	775,871
Due from other governments	1,645,189
Inventory	1,997
Prepaid assets	196,354
Capital assets, net of depreciation	9,872,478
Total Assets	20,305,410
Deferred Outflows of Resources	
Pension deferrals	3,898,148
OPEB deferrals	4,708,955
Total Deferred Outflows of Resources	8,607,103
Liabilities	
Accounts payable	986,709
Accrued liabilities:	
Salaries, wages, payroll taxes and retirement contributions	1,238,668
Non-current liabilities:	
Due within one year	1,769,811
Due in more than one year	36,060,969
Total Liabilities	40,056,157
Deferred Inflows of Resources	
Pension deferrals	2,570,725
OPEB deferrals	151,378
Total Deferred Inflows of Resources	2,722,103
Net Position (Deficit)	
Net investment in capital assets	6,554,994
Restricted for capital projects	7,178,337
Unrestricted (deficit)	(27,599,078)
Total Net Position (Deficit)	\$ (13,865,747)

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

St. John the Baptist Parish Sheriff's Office Statement of Activities

For the year ended June 30,

2019

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Changes in Net Position			
	Expenses	Program Revenues		Primary Government
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary government:				
Governmental activities:				
Public safety:				
Personal services and related benefits	\$ 20,024,690	\$ 3,653,128	\$ -	\$ (16,371,562)
Operating services	1,471,487	880,887	57,600	(533,000)
Operations and maintenance	5,986,415	758,727	-	(5,227,688)
Travel	6,535	-	-	(6,535)
Interest and other changes on long-term debt	255,363	-	-	(255,363)
Total governmental activities	\$ 27,744,490	\$ 5,292,742	\$ 57,600	(22,394,148)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				13,906,087
Sales and use taxes, levied for general purposes				5,059,715
State revenue sharing				373,447
Video poker revenue				579,392
Fines, forfeitures, and other				524,712
Proceeds from non employer contributions				732,748
Interest and investment earnings				260,484
Miscellaneous				41,939
Total general revenues				21,478,524
Change in net position				(915,624)
Net position (deficit) - June 30, 2018				(12,950,123)
Net position (deficit) - June 30, 2019			\$	(13,865,747)

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

St. John the Baptist Parish Sheriff's Office
Governmental Fund- Balance Sheet

June 30,

2019

	General Fund	Bond Construction Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 589,109	\$ 2,255,769	\$ 2,844,878
Investments	-	4,968,643	4,968,643
Accounts receivable	775,871	-	775,871
Due from other governmental units	1,645,189	-	1,645,189
Inventory	1,997	-	1,997
Prepaid items	196,354	-	196,354
Total Assets	\$ 3,208,520	\$ 7,224,412	\$ 10,432,932
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Accounts payable	\$ 940,634	\$ 46,075	\$ 986,709
Accrued liabilities	1,238,668	-	1,238,668
Total Liabilities	2,179,302	46,075	2,225,377
Deferred Inflows of Resources			
Unavailable revenue	690,571	-	690,571
Total Deferred Inflows of Resources	690,571	-	690,571
Fund Balance			
Nonspendable	198,351	-	198,351
Restricted	-	7,178,337	7,178,337
Unassigned	140,296	-	140,296
Total Fund Balance	338,647	7,178,337	7,516,984
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,208,520	\$ 7,224,412	\$ 10,432,932

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

**St. John the Baptist Parish Sheriff's Office
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position**

<u>June 30,</u>	<u>2019</u>
Total Fund Balance at June 30, 2019 - Governmental Fund	\$ 7,516,984
Cost of capital assets at June 30, 2019	\$ 23,818,515
Less accumulated depreciation as of June 30, 2019	<u>(13,946,037)</u>
	9,872,478
Deferred outflows of resources - OPEB deferrals	4,708,955
Deferred outflows of resources - pension deferrals	3,898,148
Unavailable revenues	690,571
Deferred inflows of resources - OPEB deferrals	(151,378)
Deferred inflows of resources - pension deferrals	(2,570,725)
Long-term non-current liabilities at June 30, 2019:	
Compensated absences	(510,242)
Capital lease payable	(1,816,692)
Claims and judgments	(401,386)
Bonds payable	(7,925,000)
Bond premium	(754,129)
Net pension liability	(6,882,573)
Total OPEB liability	<u>(19,540,758)</u>
	(37,830,780)
<u>Net position- June 30, 2019</u>	<u>\$ (13,865,747)</u>

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

St. John the Baptist Parish Sheriff's Office
Governmental Fund- Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the year ended June 30,

2019

	General Fund	Bond Construction Fund	Total Governmental Funds
REVENUES:			
Taxes	\$ 18,965,802	\$ -	\$ 18,965,802
Intergovernmental	1,989,584	-	1,989,584
Fees, charges, and commissions for services	4,264,073	-	4,264,073
Interest income	105,815	154,669	260,484
Miscellaneous	41,939	-	41,939
Total revenues	25,367,213	154,669	25,521,882
EXPENDITURES:			
Current:			
Public Safety			
Personal services and related benefits	19,648,087	-	19,648,087
Operating services	1,471,487	-	1,471,487
Operating and maintenance	4,328,654	-	4,328,654
Travel	6,535	-	6,535
Capital outlay	416,570	507,653	924,223
Debt service:			
Principal retirement	808,310	-	808,310
Interest and fiscal charges	343,873	9,854	353,727
Total expenditures	27,023,516	517,507	27,541,023
DEFICIENCY IN REVENUES OVER EXPENDITURES	(1,656,303)	(362,838)	(2,019,141)
NET CHANGE IN FUND BALANCE	(1,656,303)	(362,838)	(2,019,141)
FUND BALANCE—Beginning of year	1,994,950	7,541,175	9,536,125
FUND BALANCE—End of year	\$ 338,647	\$ 7,178,337	\$ 7,516,984

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

**St. John the Baptist Parish Sheriff's Office
Reconciliation of the Governmental Fund- Statement of
Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities**

<i>For the year ended June 30,</i>	<i>2019</i>
Total net change in fund balance - governmental fund	\$ (2,019,141)
Capital assets:	
Capital outlays capitalized	924,223
Depreciation expense	<u>(1,567,288)</u> (643,065)
Change in deferred outflows of resources - pension deferrals	706,497
Change in deferred outflows of resources - OPEB deferrals	4,708,955
Change in unavailable revenues	574,236
Change in deferred inflows of resources - pension deferrals	(851,571)
Change in deferred inflows - OPEB deferrals	11,645
Long-term liabilities:	
Change in claims and judgements payable	(90,473)
Payment on capital lease payable	473,310
Increase in liabilities for compensated absences	(4,555)
Principal payments on long-term debt	335,000
Amortization of bond premiums	98,364
Decrease in net pension liability	702,564
Increase in total OPEB liability	<u>(4,917,390)</u> (3,403,180)
Change in net position - governmental activities	<u>\$ (915,624)</u>

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

St. John the Baptist Parish Sheriff's Office
Statement of Fiduciary Assets and Liabilities

June 30,

2019

	Agency Funds
Assets	
Cash and cash equivalents	\$ 1,592,559
Investments	4,143,156
Total Assets	\$ 5,735,715
Liabilities	
Funds held in custody for other parties	\$ 3,319,332
Due to tax payers	1,749,321
Funds held in custody for the St. John Sheriff General Fund	599,272
Funds held in custody for inmates	67,790
Total Liabilities	\$ 5,735,715

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

St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the St. John the Baptist Parish Sheriff (the "Sheriff") serves a four year term as the Chief Executive Officer of the law enforcement district and ex-officio tax collector of the St. John the Baptist Parish (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 is responsible 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, the Sheriff, when requested, 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, Parish occupational licenses, State revenue sharing funds, and fines, costs, and bond forfeitures imposed by the District Court.

The accompanying financial statements of the Sheriff have been prepared in conformity with generally accepted accounting principles ("GAAP") generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board ("GASB") pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The accounting and reporting policies of the Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the AICPA industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial 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 includes 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 Council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the Parish Council, Parish School Board,



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and other independently elected Parish officials 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 (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. The Sheriff has no business-type activities.

The statement of activities presents a comparison between program revenues of the Sheriff and the cost of the function. Program revenues are derived directly from Sheriff users as a fee for services. Revenues that are not classified as program revenues, including taxes, are presented as general revenues. Indirect expenses are allocated proportionately among the various functions. Internal activity is eliminated.

Fund Financial Statements

The accounts of the Sheriff are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The only two funds of the Sheriff (besides fiduciary funds) are classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Two funds of the Sheriff are considered to be major funds and are described below:

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 and reports all operations of the Sheriff's office not accounted for and reported in another fund. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include one fourth (1/4) cent sales tax, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Bond Construction Fund

The Bond Construction Fund was created by a 2016 bond issuance for the purpose of construction on various capital projects.

The following funds are non-major funds:

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, and fees. Disbursements from these funds are made to various parish agencies and litigants in suits in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The individual agency funds used by the Sheriff for the year ended June 30, 2019 are as follows:

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

Tax Collector Fund - Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Prison Inmate Fund - To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bond Fund -To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

In the fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50 of the GASB Codification, "Nonexchange Transactions."

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within 60 days of the end of the fiscal year. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position

Cash and cash equivalents

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

Investments

LA R.S. 33:2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or US government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book-entry-only securities guaranteed by the US government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions, and certain mutual or trust fund institutions.

Investments are stated at fair value in accordance with the Governmental Accounting Standards Board Codification Section 150 *Investments* and Section 3100 *Fair Value Measurement*.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

Capital Assets

The accounting treatment for building, improvements and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements. In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Interest costs are not capitalized as they relate to capital assets. The Sheriff's threshold for capitalization is \$5,000.

Depreciation of all exhaustible capital assets is recorded as an allocated 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 estimated useful lives by type of asset is as follows:

Buildings and improvements	20 - 40 years
Equipment and vehicles	3 - 10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-term debt

All long-term debt to be repaid from governmental funds is reported as liabilities in the government-wide statements. The long-term debt consists of capital lease payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt is reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

Employees of the Sheriff's office who are employed from zero to 6 years are eligible to receive 6 to 12 days of vacation leave each year. In addition to receiving the 6 to 12 days of vacation leave for each year, employees can earn an additional 8 bonus hours of vacation

St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

leave for each year of employment in excess of 6 years. Also, employees can earn from 6 to 9 days of sick leave each year. Vacation and sick leave in excess of 25 and 20 days, respectively, is forfeited on June 30 of each year. Vacation leave (up to 25 days of carryover plus amounts earned in current year plus any additional bonus hours) earned by employees is paid upon retirement or termination. Sick leave earned by employees accumulates as noted above, but does not vest, and is forfeited upon retirement or termination.

At June 30, 2019, the Sheriff has accumulated and vested \$510,242 in vacation leave privileges required to be accrued in accordance with GASB Codification Section C60.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Sheriff has two items that meet this criterion, pension and OPEB related deferrals. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Sheriff has two items that meet the criterion for this category, pension and OPEB related deferrals. The Sheriff has one item that meets the criterion for this category on the Balance Sheet – Unavailable revenue, which represents all revenues not collected within 60 days after the fiscal year end.

Net Position Classifications

In the government-wide statements, net position is classified 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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Sheriff has \$7,178,337 of restricted net position in the Bond Construction Fund.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the two categories of net position.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Sheriff's policy is to apply restricted net position first.

Fund balances of the governmental funds are classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Sheriff's office. The Sheriff is the highest level of decision making authority for the Sheriff's office. Commitments may be established, modified, or rescinded only through ordinances approved by the Sheriff.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff's adopted policy, only the Sheriff may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

As of June 30, 2019, fund balances are composed of the following:

	General Fund	Bond Construction Fund	Total Governmental Funds
Non-spendable:			
Inventories	\$ 1,997	\$ -	\$ 1,997
Prepays	196,354	-	196,354
Restricted	-	7,178,337	7,178,337
Unassigned	140,296	-	140,296
Total fund balances	\$ 338,647	\$ 7,178,337	\$ 7,516,984

St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

E. Budget and Budgetary Accounting

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

1. The Chief Administrative Deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with GAAP. Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

F. Prepaid Items

Payments made to vendors for services that will benefit in periods beyond June 30, 2019 are recorded as prepaid items. Prepaid items that existed at June 30, 2019 were prepaid insurance and prepaid software services.



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventory

The inventory consists of kitchen supplies and is stated at cost, which is determined by the first-in, first-out method.

H. Recent Accounting Pronouncements Implemented

In April 2018, the GASB issued Statement No. 88 - Certain Disclosures Related to Debt. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for periods beginning after June 15, 2018. The Sheriff implemented GASB 88 on the financial statements for the year ended June 30, 2019.

I. Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements address:

- Fiduciary activities; and
- Leases.

The Sheriff is currently evaluating the effects that these statements will have on its financial statements.

J. 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 ("the Fund") and additions

St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2: CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. At June 30, 2019, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$4,437,437, of which \$1,592,559 is attributable to fiduciary funds, which is not presented in the statement of net position.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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.

Deposit balances (bank balances) at June 30, 2019, are secured as follows:

Total bank balance	\$	4,672,810
Insured	\$	822,053
Collateralized by pledging bank in Sheriff's name		2,684,330
Invested in governmental money market securities		1,166,427
Total insured and collateralized balance	\$	4,672,810

As of June 30, 2019, the Sheriff's total bank balances were fully insured and collateralized with the securities held in the name of the Sheriff by the pledging financial institution's agent and, therefore, they were not exposed to custodial credit risk.

NOTE 3: INVESTMENTS

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

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 3: INVESTMENTS (CONTINUED)

assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Sheriff has the following fair value measurements as of June 30, 2019:

- U.S. government obligations are valued using prices quoted in active markets for those securities (Level 1 inputs)
- U.S. government sponsored enterprise securities are valued using prices quoted in active markets for those securities or quoted prices for identical securities in markets that are not active.

June 30, 2019	Level 1	Level 2	Level 3	Total
U.S. government obligations	\$ 4,968,643	\$ -	\$ -	\$ 4,968,643
Total	\$ 4,968,643	\$ -	\$ -	\$ 4,968,643

The Sheriff invests monies with the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana R.S. 33:2955. As of June 30, 2019, the Sheriff has \$306,269 in the Bond Fund and \$3,836,887 in the Tax Collector agency funds.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 3: INVESTMENTS (CONTINUED)

- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity ("WAM") method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 99 days as of June 30, 2019.
- Foreign currency risk: Not applicable to investment pools.

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

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and its board of directors. LAMP is not registered with the SEC as an investment company.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

NOTE 4: 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 taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the Parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. John the Baptist Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2019, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 32.99 mills on property with assessed valuations totaling \$450,710,689.

Total law enforcement taxes levied during 2019 were \$14,868,946. There were no taxes receivable in the General Fund at June 30, 2019.

The unsettled balance due to taxing bodies and others at June 30, 2019 includes \$3,787,321 paid under protest. If these taxes are refunded to the taxpayer, Louisiana Revised Statutes (LSA-RS 47:2110) require the Tax Collector to pay interest at 2 percent per annum on the amounts held. These funds are held in the Tax Collector agency fund pending resolution of the protest.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 5: ACCOUNTS RECEIVABLE

Amounts due from other governments at June 30, 2019, consist of the following:

Maintenance of prisoners	\$	177,869
Federal and state grants		96,646
Reimbursement for salaries		270,948
Reimbursement of expenses		46,721
Commissions on video poker		91,571
Sales tax revenue		955,414
Miscellaneous receivable		6,020
Total amounts due	\$	1,645,189

Amounts due from non-governmental entities at June 30, 2019, consist of the following:

Court system receivable	\$	22,917
Civil receivable		3,223
Bond fees receivable		4,350
Tax collector		558,908
Commissary, etc.		9,874
Reimbursement for salaries		163,184
Reimbursement for expenses		1,910
Miscellaneous receivable		11,505
Total amounts due	\$	775,871

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Governmental activities				
Assets not being depreciated				
Land	\$ 158,500	\$ -	\$ -	\$ 158,500
Construction in progress	1,254,120	523,153	-	1,777,273
Assets being depreciated				
Buildings	6,628,088	-	-	6,628,088
Radios	4,644,372	-	-	4,644,372
Equipment and vehicles	10,209,212	401,070	-	10,610,282
Total assets	22,894,292	924,223	-	23,818,515
Less accumulated depreciation				
Buildings	(2,487,379)	(235,548)	-	(2,722,927)
Radios	(2,108,381)	(275,755)	-	(2,384,136)
Equipment and vehicles	(7,782,989)	(1,055,985)	-	(8,838,974)
Total accumulated depreciation	(12,378,749)	(1,567,288)	-	(13,946,037)
Governmental activities, capital assets, net	\$ 10,515,543	\$ (643,065)	\$ -	\$ 9,872,478

Depreciation expense of \$1,567,288 was charged to the public safety function.

Construction in progress is comprised of the following:

Governmental Activities:	Expended to June 30, 2019
Shooting range	\$ 1,588,430
Miscellaneous buildings	103,912
Westbank substation	69,431
911 Tower	15,500
Total	\$ 1,777,273

NOTE 7: LONG-TERM DEBT

On August 11, 2016, the Sheriff issued \$8,885,000 of Limited Tax Revenue Bonds, Series 2016. The Bonds were issued for the purpose of acquiring, constructing, improving and renovating law enforcement buildings and other facilities, acquiring land, equipment and furnishings thereof, and paying the costs of the issuance of the Bonds. The Bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 7: LONG-TERM DEBT (CONTINUED)

collection of (i) a special tax of 16.00 mills (such rate being subject to adjustment from time to time due to reassessment) which the Issuer is authorized to impose and collect each year within the boundaries of the District, pursuant to Section 13:5903A of the Louisiana Revised Statutes of 1950, as amended, and (ii) a special tax of 16.99 mills (such rate being subject to adjustment from time to time due to reassessment) which the Issuer is authorized to impose and collect each year within the corporate boundaries of the Issuer pursuant to an election held on July 18, 1998.

The following schedule shows the changes in limited tax revenue tax bonds, the outstanding balance on the bonds at June 30, 2019 and the total future interest on the bonds:

Bond	Date of Issuance	Authorized and Issued	Interest Rate %	Maturity Date	Principal Outstanding	Interest to Maturity
Series 2016	8/11/2016	\$ 8,885,000	2.00 – 4.00	3/01/2027	<u>\$ 7,925,000</u>	<u>\$ 2,717,150</u>

Annual debt service to maturity is as follows:

Fiscal Year	Principal and Interest	Interest	Principal
2020	625,900	285,900	340,000
2021	625,500	275,500	350,000
2022	626,200	261,200	365,000
2023	626,300	246,300	380,000
2024	625,800	230,800	395,000
2025–2029	3,133,400	898,400	2,235,000
2030–2034	3,125,350	470,350	2,655,000
2035–2036	1,253,700	48,700	1,205,000
	<u>\$ 10,642,150</u>	<u>\$ 2,717,150</u>	<u>\$ 7,925,000</u>

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

Governmental Activities, net	July 1, 2018	Additions	Reductions	June 30, 2019	Due within one year
Capital Leases	\$ 2,290,002	\$ -	\$ (473,310)	\$ 1,816,692	\$ 425,728
Claims and judgments	310,913	548,734	(458,261)	401,386	118,175
Compensated absences	505,687	507,847	(503,292)	510,242	84,891
Revenue Bonds, Series 2016	8,260,000	-	(335,000)	7,925,000	340,000
Bond Premium	852,493	-	(98,364)	754,129	-
Net pension liability	7,585,137	-	(702,564)	6,882,573	-
Total OPEB liability	14,623,368	4,917,390	-	19,540,758	801,017
Total long-term debt	\$ 34,427,600	\$ 5,973,971	\$(2,570,791)	\$ 37,830,780	\$ 1,769,811

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 7: LONG-TERM DEBT (CONTINUED)

Capital Leases

During the year ended June 30, 2015, the Sheriff entered into a five year capital lease for police equipment due in annual installments of \$106,650 with an interest rate of 3.63%. The book value of the asset is \$287,362 and there is \$191,575 of accumulated depreciation at June 30, 2019.

During the year ended June 30, 2018, the Sheriff entered into a six year capital lease for police equipment due in annual installments of \$374,117 with an interest rate of 2.99%. The book value of the asset is \$1,809,561, and there is \$278,394 of accumulated depreciation at June 30, 2019.

The annual requirements to amortize all lease obligations outstanding at June 30, 2019 are as follows:

Year Ending June 30	Principal	Interest	Total
2020	425,728	55,040	480,768
2021	332,528	41,590	374,118
2022	342,470	31,647	374,117
2023	352,710	21,407	374,117
2024	363,256	10,861	374,117
Total	\$ 1,816,692	\$ 160,545	\$ 1,977,237

The general fund has historically funded the long-term debt. Total interest incurred on long-term debt for the year ended June 30, 2019 was \$353,727, all of which was expensed.

Risk Management

The Sheriff is exposed to risks of loss in the areas of health care, property hazards and workers' compensation. These risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year, nor have settlements exceeded coverage for the past three years.

Effective November 1, 1997, the Sheriff established a self-insurance plan, which is administered by F .A. Richard and Associates, Inc. ("FARA"), to account for and finance its risk of loss for auto and professional liability. The administrator calculates the estimated amount of the liability on each claim based on facts and circumstances of said claim. Under this plan, the Sheriff has a claims made policy with St. Paul Insurance Company. The Sheriff is liable for claims up to \$50,000 per covered employee or dependent. The aggregate annual maximum that the Sheriff is liable for is \$450,000. FARA handles professional liability claims made prior to November 1, 2014. The amount of liability recorded at June 30, 2019 (for all open years) is \$48,335.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 7: LONG-TERM DEBT (CONTINUED)

Effective September 1, 2014, the Sheriff joined the Louisiana Sheriffs' Law Enforcement Program ("LSLEP") to cover the Law Enforcement Professional Liability and placed the Automobile Liability and Physical Damage with American Alternative Insurance Corporation through the Louisiana Sheriffs' Risk Purchasing Group, Inc. The Professional Liability policy's covers \$100,000 per occurrence with a \$300,000 annual policy period aggregate limit. The Automobile liability policy has a \$1,000,000 combined single limit with a \$50,000 deductible per claim. The Automobile physical damage policy has a \$1,500,000 combined single limit with a \$2,500 deductible per claim. All professional liability claims made November 1, 2014 and thereafter are covered through LSLEP. Auto claims beginning August 1, 2016 are covered under the Louisiana Sheriff's Risk Purchase Group, Inc. The amount of liability recorded at June 30, 2019 (for all open years) is \$353,051.

A reconciliation of changes in liabilities for the year ending June 30, 2019 is as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
2018-2019	\$ 310,913	\$ 548,734	\$ (458,261)	\$ 401,386

Commitments and Contingencies

At June 30, 2019, the Sheriff is involved in several lawsuits claiming damages. Management is of the opinion that the liability recorded of \$401,386 should be adequate to cover any monetary damages and therefore, no additional liability has been accrued at June 30, 2019 as it relates to the lawsuits.

NOTE 8: SHORT-TERM DEBT

Short-term debt provides financing for the Sheriff's governmental activities. On August 22, 2018, the Sheriff issued a Revenue Anticipation Note in the amount of \$5,500,000. This debt was issued for interim financing of general fund operations. On January 7, 2019, the Sheriff repaid the note plus \$39,815 in interest at a rate of 2.55%.

The following is a summary of changes in short-term debt for the year ended June 30, 2019:

Short term debt, June 30, 2018	\$	-
Debt assumed		5,500,000
Debt retired		(5,500,000)
Short term debt, June 30, 2019	\$	-

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 9: OPERATING LEASES

The Sheriff is obligated under an operating lease for vehicles. The lease expires in 2024. The minimum future lease payments for the lease of vehicles are as follows:

Year ended June 30,		Amount
2010	\$	641,005
2021		599,949
2022		234,530
2023		135,128
2024		5,308
Total	\$	1,615,920

The total payments for the lease for the year ended June 30, 2019 was \$585,257.

NOTE 10: PENSION PLAN

Plan Description

The Sheriff's Pension and Relief Fund (the "Fund") was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any and additional legal agreements to provide benefits that are in force at the measurement date.

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.

A. Retirement

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



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

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

For a member whose first employment making them 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 them 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 them 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.

B. 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 service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

C. Survivor's 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.

D. Deferred Benefits

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

E. Back Deferred Retirement Option Plan (Back-DROP)

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



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

F. Cost-of-Living Adjustments

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2019, the actual employer contribution rate was 12.25%. For the year ended June 30, 2018, the actuarially determined employer contribution rate was 9.33%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

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, 2019. Contributions to the pension plan from the Sheriff were \$1,517,086 for the year ended June 30, 2019.

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

At June 30, 2019, the Sheriff reported a liability of \$6,882,573 for its proportionate share of the Net Pension Liability. 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 1.79484%, which was an increase of 0.04319% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Sheriff recognized pension expense of \$1,692,296 plus the Sheriff's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of \$48.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

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	\$ -	\$ 1,932,046
Net difference between projected and actual earnings on pension plan investments	-	408,571
Changes in assumptions	2,034,585	-
Changes in proportionate share	346,477	230,108
Employer contributions subsequent to the measurement date	1,517,086	-
Total	\$ 3,898,148	\$ 2,570,725

Deferred outflows of resources of \$1,517,086 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	461,808
2021	118,946
2022	(739,363)
2023	(97,061)
2024	66,007

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

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
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	6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 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 Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

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.

The rate of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equity Securities	62%	4.3%
Bonds	23	0.7
Alternative Investments	15	0.7
Totals	100%	5.7%

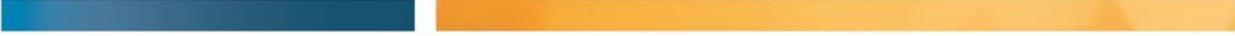
Discount Rate

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 Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Sheriff'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%)
Sheriff's proportionate share of the net pension liability	\$ 15,576,182	\$ 6,882,573	\$ (436,452)



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 10: PENSION PLAN (CONTINUED)

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Sheriff recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2019, the Sheriff recognized revenue as a result of support received from non-employer contributing entities of \$732,748 for its participation in the Sheriff's Pension and Relief Fund.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Sheriffs' Pension and Relief Fund Audit Report at www.la.gov. The Sheriffs' Pension and Relief Fund issues a publicly available audit report that includes financial statements and required supplementary information.

Payables to the Pension Plan

Payables to the Pension Plan for contractually required contributions were \$983,575 as of June 30, 2019.

NOTE 11: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan Description

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The St. John the Baptist 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 and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of net cost (total premium less retiree contribution, if any) of retiree medical coverage for employees hired on or before July 1, 2010. For employees hired after July 1, 2010 (La. R.S. 13:5554-AA), the employer provides a graded percentage of the net cost of retiree coverage based on length of service at retirement: 30 years or more, 100%; 25 but less than 30 years, 75%;

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 11: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

20 but less than 25 years, 50%; and, less than 20 years, 0%. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age or, age 55 and 12 years of service. For employees hired on and after January 1, 2012 it is age 55 and 30 years of service, or 60 and 20 years of service, or 62 and 12 years of service.

Life insurance coverage is continued to retirees by based on a blended rate for active employees and retirees. The employer pays for 100% of the "cost" of life insurance after retirement for the retiree. However, those rates are based on the blended active/retired rate and there is thus an implied subsidy.

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	97
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	242
	339
	339

Total OPEB Liability

The Sheriff's total OPEB liability of \$19,540,758 was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2018 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
Discount rate	3.5%, annually
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 SOA RP-2000 Combined Mortality Table.

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 11: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

The actuarial assumptions used in the July 1, 2018 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	\$ 14,623,368
Changes for the year:	
Service cost	180,545
Interest	514,977
Differences between expected and actual experience	2,886,119
Changes in assumptions	2,136,766
Benefit payments and net transfers	(801,017)
Net changes	4,917,390
 Balance at June 30, 2019	 \$ 19,540,758

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:

	1.0% Decrease (2.5%)	Current Discount Rate (3.5%)	1.0% Increase (4.5%)
Total OPEB liability	\$ 22,520,889	\$ 19,540,758	\$ 17,138,836

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	\$ 18,103,392	\$ 19,540,758	\$ 21,281,198

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 11: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

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 \$997,807. 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	\$ 2,705,737	\$ (151,378)
Changes in assumptions	2,003,218	-
Total	\$ 4,708,955	\$ (151,378)

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	\$ 302,285
2021	302,285
2022	302,285
2023	302,285
2024	302,285
Thereafter	3,046,152

NOTE 12: EX-OFFICIO TAX COLLECTOR

The amount of taxes collected by taxing authority is listed below. Of the \$14,772,830 collected for St. John Parish Law Enforcement, \$18,950 is related to commissions and fees on tax collections.

St. John Parish Government	\$ 16,084,470
St. John Parish School Board	17,602,905
St. John Parish Assessor	1,361,303
St. John Parish Law Enforcement	14,772,830
St. John Parish Library	4,451,103
Lafourche Levee District	29,454
Pontchartrain Levee District	1,545,816
Louisiana Tax Commission	18,950
	\$ 55,866,831

St. John the Baptist Parish Sheriff's Office
Notes to Financial Statements

NOTE 12: EX-OFFICIO TAX COLLECTOR (CONTINUED)

The amount of taxes assessed and uncollected, and the reason for failure to do so is as follows:

	Louisiana Tax Commission Decreases	Unpaid
St. John Parish Government	\$ 44,954	\$ 8,195
St. John Parish School Board	48,221	7,907
St. John Parish Assessor	3,729	612
St. John Parish Law Enforcement	40,468	6,636
St. John Parish Library	12,193	1,999
Lafourche Levee District	7	17
Pontchartrain Levee District	4,312	692
Total	\$ 153,884	\$ 26,058

In addition, the Sheriff collected \$1,359,537 of occupational licenses fees and remitted \$1,135,418 to the St. John Parish Government and \$224,119 to the St. John Parish Sheriff's General Fund.

NOTE 13: DEFERRED COMPENSATION

Certain employees of the Sheriff participate in the Louisiana Public Employees' Deferred Compensation Plan (the Plan) qualified under Section 457 of the Internal Revenue Code. The Plan covers fulltime employees who have elected to participate in the Plan. The Sheriff matches up to 10% of the employee's contributions based on years of continuous service. Employees may contribute to the Plan up to the maximum amount allowed by the Internal Revenue Code.

The Sheriff's contributions to the Plan were \$295,777 for the year ended June 30, 2019. Complete disclosures relating to the Plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

NOTE 14: TAX ABATEMENTS

Louisiana Economic Development (LED) is a Department of the State of Louisiana and administers many development oriented incentives, including the Industrial Tax Exemption Program (ITEP). Under the ITEP, the LED negotiates property tax (Ad Valorem) abatement agreements on an individualized basis. The process involves submitting advance notification including a fee, completion of an initial application along with submission of any required documentation, review of application and submission to the Louisiana Board of Commerce and Industry for consideration. If final approval is granted, the Board issues a contract through LED. Each agreement is negotiated for a variety of economic development purposes, including job creation, business relocation, retention, and expansion.



St. John the Baptist Parish Sheriff's Office Notes to Financial Statements

NOTE 14: TAX ABATEMENTS (CONTINUED)

As of June 30, 2019, nine industrial companies located in the Parish are currently under the Industrial Tax Exemption program. The typical term of these agreements are for ten years and provided Ad valorem tax abatement during the fiscal year of 2019 in the amount of \$9,861,510.

The LED has not made any commitments as part of the agreements other than to reduce taxes. The Parish is not subject to any tax abatement agreements entered into by other governmental entities other than the LED.

NOTE 16: SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 20, 2019, the date the financial statements are available to be issued and no material events were noted for disclosure.



**Required Supplementary
Information**

St. John the Baptist Parish Sheriff's Office
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget to Actual
General Fund

For the year ended June 30,

2019

	Original Budget	Revised Budget	Actual	Variance from Revised Budget
REVENUES:				
Taxes	\$ 18,300,000	\$ 18,846,000	\$ 18,965,802	\$ 119,802
Intergovernmental	2,600,000	2,560,448	1,989,584	(570,864)
Fees, charges, and commissions for services	4,183,000	4,151,000	4,264,073	113,073
Interest income	40,000	50,000	105,815	55,815
Miscellaneous	59,000	55,600	41,939	(13,661)
Total Revenues	25,182,000	25,663,048	25,367,213	(295,835)
EXPENDITURES:				
Current:				
Public Safety				
Personal services and related benefits	19,170,338	19,734,337	19,648,087	86,250
Operating services	1,599,000	1,884,000	1,471,487	412,513
Operating and maintenance	3,268,000	3,371,000	4,328,654	(957,654)
Travel	4,000	4,000	6,535	(2,535)
Capital outlay	179,193	499,193	416,570	82,623
Debt service:				
Principal retirement	6,199,117	6,209,317	808,310	5,401,007
Interest and fiscal charges	317,700	343,857	343,873	(16)
Total Expenditures	30,737,348	32,045,704	27,023,516	5,022,188
EXCESS OF REVENUES OVER EXPENDITURES	(5,555,348)	(6,382,656)	(1,656,303)	4,726,353
OTHER FINANCING SOURCES (USES)				
Proceeds from revenue anticipation note	5,500,000	5,500,000	-	(5,500,000)
Sale of capital assets	60,000	40,000	-	(40,000)
Total other financing sources—net	5,560,000	5,540,000	-	(5,540,000)
NET CHANGE IN FUND BALANCES	4,652	(842,656)	(1,656,303)	(813,647)
FUND BALANCES—Beginning of year	2,704,589	1,962,354	1,994,950	32,596
FUND BALANCES—End of year	\$ 2,709,241	\$ 1,119,698	\$ 338,647	\$ (781,051)

St. John the Baptist Parish Sheriff's Office
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Two Fiscal Years

Total OPEB Liability	2019	2018
Service cost	\$ 180,545	\$ 147,503
Interest	514,977	506,567
Changes of benefit terms	-	-
Differences between expected and actual experience	2,886,119	(174,668)
Changes of assumptions	2,136,766	-
Benefit payments	(801,017)	(658,758)
Net change in total OPEB liability	4,917,390	(179,356)
Total OPEB liability - beginning	14,623,368	14,802,724
Total OPEB liability - ending	\$ 19,540,758	\$ 14,623,368
Covered-employee payroll	\$ 10,777,403	\$ 9,787,290
Total OPEB liability as a percentage of covered-employee payroll	181.31%	149.41%

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

St. John the Baptist Parish Sheriff's Office
Schedule of Proportionate Share of Net Pension Liability for
Sheriff's Pension and Relief Fund
Last Five Fiscal Years

For the Year Ended June 30,	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	1.794838%	\$ 6,882,573	\$ 12,267,821	56.10%	90.41%
2018	1.751650%	\$ 7,585,137	\$ 12,161,444	62.37%	88.49%
2017	1.757310%	\$ 11,153,481	\$ 11,976,153	93.13%	82.10%
2016	1.823510%	\$ 8,128,327	\$ 12,092,300	67.22%	86.61%
2015	1.735850%	\$ 6,849,906	\$ 11,148,432	61.44%	87.34%

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

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

St. John the Baptist Parish Sheriff's Office
Schedule of Employer Contributions to Sheriff's Pension and Relief Fund
Last Six Fiscal Years

For the Year Ended June 30,	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
2019	\$ 1,517,086	\$ 1,517,086	\$ -	\$ 12,384,376	12.2%
2018	\$ 1,574,365	\$ 1,574,365	\$ -	\$ 12,267,821	12.8%
2017	\$ 1,611,519	\$ 1,611,519	\$ -	\$ 12,161,444	13.3%
2016	\$ 1,646,721	\$ 1,646,721	\$ -	\$ 11,976,153	13.7%
2015	\$ 1,723,153	\$ 1,723,153	\$ -	\$ 12,092,300	14.3%
2014	\$ 1,548,517	\$ 1,548,417	\$ -	\$ 11,148,432	13.9%

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

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



St. John the Baptist Parish Sheriff's Office
Notes to Required Supplementary Information

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Budgets for the General Fund are legally adopted by the Sheriff on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 2: NET PENSION LIABILITY

Benefit Changes

There were no changes of benefits for the valuation years ended June 30, 2018.

Changes of Assumptions

For the actuarial valuation for the year ended June 30, 2015, the discount rate was reduced from 7.7% to 7.6%, the salary increase assumption was reduced from 6% to 5.5%, and the inflation assumption was reduced from 3% to 2.875%.

For the actuarial valuation for the year ended June 30, 2016, the remaining service life of employees was increased from 6 years to 7 years and the discount rate was reduced from 7.6% to 7.5%.

For the actuarial valuation for the year ended June 30, 2017, the discount rate was reduced from 7.5% to 7.4%, the inflation was reduced from 2.875% to 2.775%, and the projected merit increase rate was increased from 2.625% to 2.725%.

For the actuarial valuation for the year ended June 30, 2018, the remaining service life of employees was decreased from 7 years to 6 years, discount rate was reduced from 7.4% to 7.25%, the inflation was reduced from 2.775% to 2.6%, and the projected merit increase rate was increased from 2.725% to 2.9%.

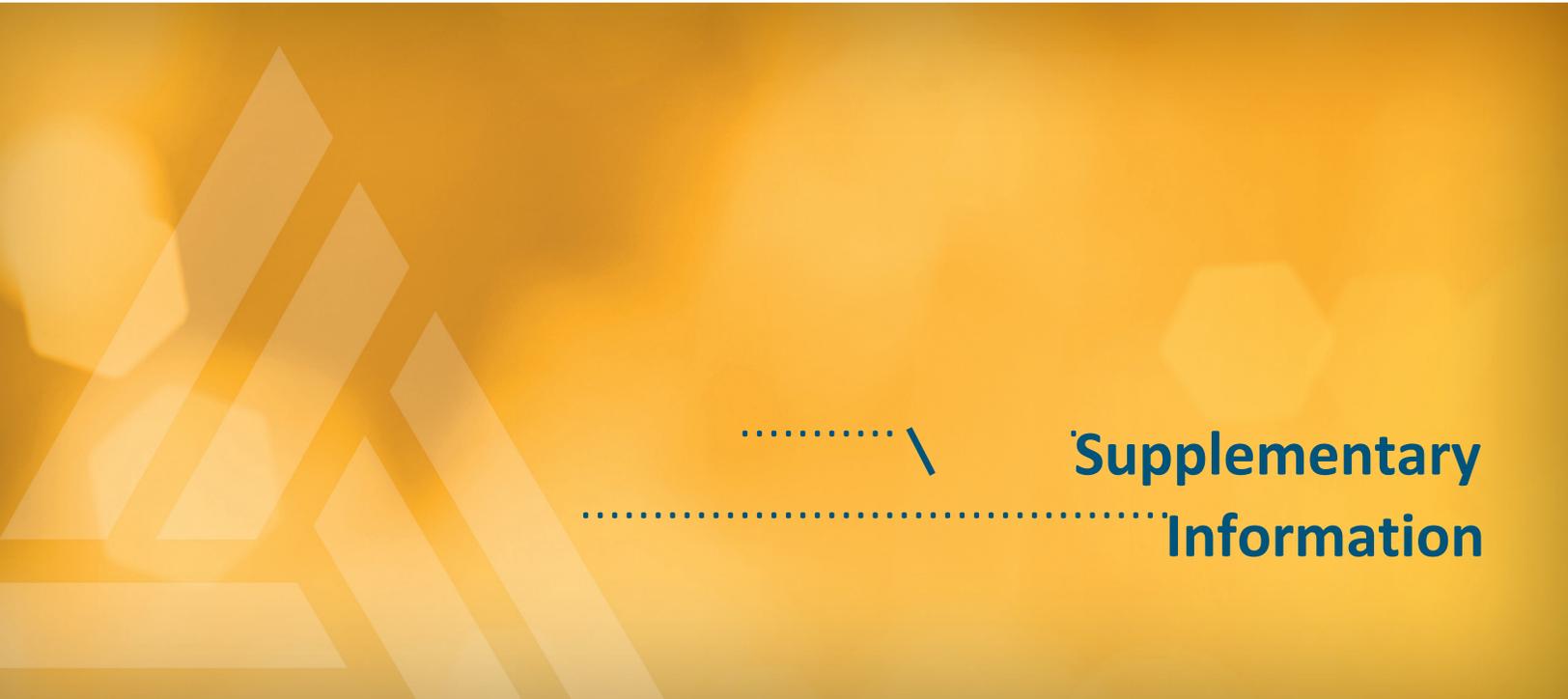
NOTE 3: TOTAL OPEB LIABILITY

Benefit Changes

There were no changes of benefit terms for the years ended June 30, 2019.

Changes of Assumptions

The discount rate as of June 30, 2018 was 4.0% and it changed to 3.5% as of June 30, 2019. The implicit subsidy for blended rates as of June 30, 2018 was 130% and it changed to 145% as of June 30, 2019.



**Supplementary
Information**



STATE OF LOUISIANA, PARISH OF ST. JOHN THE BAPTIST

AFFIDAVIT

MICHAEL TREGRE, Sheriff of ST. JOHN THE BAPTIST PARISH SHERIFF

BEFORE ME, the undersigned authority, personally came and appeared, Michael Tregre, the Sheriff of St. John the Baptist Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$16,404 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.



Signature
Sheriff of St. John the Baptist Parish

Sworn to and subscribed before me, Ex-officio Notary, this 5th day of December 2019, in my office in LaPlace, Louisiana.

St. John the Baptist Parish Sheriff's Office
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2019

Agency Head Name: Sheriff Mike Tregre

Purpose	Amount
Salary	\$ 160,337
Benefits-insurance	19,011
Benefits-retirement	23,725
Benefits-medicare	2,619
Benefits-worker's compensation	-
Benefits-unemployment	400
Cell phone	2,300
Uniforms	-
Per diem	1,139
Reimbursements-advertising	-
Travel	-
Fuel usage	2,435
Conference travel	3,347
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	1,577



**Combining and Individual Fiduciary
Fund Financial Statements and
Schedules**



St. John the Baptist Parish Sheriff's Office Fiduciary Funds - Descriptions of Funds

Agency Funds

All of these funds are reflected in the totals of the agency funds presented in the Statement of Fiduciary Assets and Liabilities

Civil Fund

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

Tax Collector Fund

Established per Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Prison Inmate Fund

Established to account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates. A separate account is used to record commissary commissions due to the Sheriff's General Fund.

Bond Fund

Established to account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

St. John the Baptist Parish Sheriff's Office Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30,

2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
CIVIL FUNDS				
ASSETS - Cash	\$ 281,477	\$ 1,970,703	\$ 1,970,196	\$ 281,984
LIABILITIES - Funds held in custody for other parties	\$ 256,455	\$ 1,662,666	\$ 1,640,360	\$ 278,761
LIABILITIES - Funds held in custody for the St. John Sheriff General Fund	25,022	308,037	329,836	3,223
TOTAL	\$ 281,477	\$ 1,970,703	\$ 1,970,196	\$ 281,984
TAX COLLECTOR FUNDS				
ASSETS - Cash	\$ 142,504	\$ 55,275,447	\$ 55,303,989	\$ 113,962
ASSETS - LAMP	-	3,836,887	-	3,836,887
TOTAL	\$ 142,504	\$ 59,112,334	\$ 55,303,989	\$ 3,950,849
LIABILITIES - Funds held in custody for other parties	\$ 138,782	\$ 39,737,936	\$ 38,234,098	\$ 1,642,620
LIABILITIES - Due to tax payers	-	1,749,321	-	1,749,321
LIABILITIES - Funds held in custody for the St. John Sheriff General Fund	3,722	14,448,133	13,892,947	558,908
TOTAL	\$ 142,504	\$ 55,935,390	\$ 52,127,045	\$ 3,950,849
PRISON INMATE FUNDS				
ASSETS - Cash	\$ 66,586	\$ 325,285	\$ 314,207	\$ 77,664
LIABILITIES - Funds held in custody for inmates	\$ 62,943	\$ 214,399	\$ 209,552	\$ 67,790
LIABILITIES - Funds held in custody for the St. John Sheriff General Fund	3,643	110,886	104,655	9,874
TOTAL	\$ 66,586	\$ 325,285	\$ 314,207	\$ 77,664
BOND FUNDS				
ASSETS - Cash	\$ 1,473,633	\$ 3,485,481	\$ 3,840,165	\$ 1,118,949
ASSETS - LAMP	-	306,269	-	306,269
TOTAL	\$ 1,473,633	\$ 3,791,750	\$ 3,840,165	\$ 1,425,218
LIABILITIES - Funds held in custody for other parties	\$ 1,440,663	\$ 3,381,354	\$ 3,424,066	\$ 1,397,951
LIABILITIES - Funds held in custody for the St. John Sheriff General Fund	32,970	295,736	301,439	27,267
TOTAL	\$ 1,473,633	\$ 3,677,090	\$ 3,725,505	\$ 1,425,218
TOTALS-ALL AGENCY FUNDS				
ASSETS - Cash and investments	\$ 1,964,200	\$ 61,056,916	\$ 61,428,557	\$ 1,592,559
ASSETS - LAMP	-	4,143,156	-	4,143,156
TOTAL	\$ 1,964,200	\$ 65,200,072	\$ 61,428,557	\$ 5,735,715
LIABILITIES:				
Funds held in custody for other parties	\$ 1,835,900	\$ 44,781,956	\$ 43,298,524	\$ 3,319,332
Due to tax payers	-	1,749,321	-	1,749,321
Funds held in custody for the St. John Sheriff General Fund	65,357	15,162,792	14,628,877	599,272
Funds held in custody for inmates	62,943	214,399	209,552	67,790
TOTAL	\$ 1,964,200	\$ 61,908,468	\$ 58,136,953	\$ 5,735,715



Government Auditing Standards
Report and Schedules



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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 Michael Tregre, Sheriff
St. John the Baptist Parish Sheriff's Office
Laplace, 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 fund information of the St. John the Baptist Parish Sheriff (the "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 and have issued our report thereon dated December 20, 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 Sheriff's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

identify certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Schedule of Findings and Responses

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, 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 opinions on the effectiveness of the Sheriff's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Car, Riggs & Ingram, L.L.C.

December 20, 2019



St. John the Baptist Parish Sheriff's Office Schedule of Findings and Questioned Costs

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

2019-001 Significant Deficiency - Segregation of Duties

<i>Criteria:</i>	The Sheriff's internal control policies should include segregation of duties, where separate roles and responsibilities are assigned to ensure transactions cannot be processed from initiation to reporting without the involvement of others.
<i>Condition:</i>	Prior to June 30, 2019, certain reconciliations, schedules, and related journal entries were observed during the audit that did not include a review or approval by someone other than the preparer.
<i>Cause:</i>	Roles and responsibilities were assigned to the reconciliation of certain accounts without taking into consideration segregation of duties.
<i>Effect:</i>	Although no material adjustments resulted from the lack of review of these accounts, misstatements could occur that would not be identified by the Sheriff's internal control system.
<i>Recommendation:</i>	The Sheriff implemented a written policy in June 2019 that a member of management other than the preparer will review and approve all reconciliations, schedules, and related manual journal entries. The Sheriff should ensure that the policy is followed going forward.



**St. John the Baptist Parish Sheriff's Office
Summary Schedule of Prior Audit Findings**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

2018-001 Significant Deficiency - Segregation of Duties

Condition: Certain reconciliations, schedules, and related journal entries were observed during the audit that did not include a review or approval by someone other than the preparer.

Status: Partially Resolved. See finding 2019-001.



**St. John the Baptist Parish Sheriff's Office
Corrective Action Plan**

SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

2019-001 Significant Deficiency – Segregation of Duties

Corrective Action Plan:

In June 2019, the Sheriff ensured a member of management other than the preparer reviewed and approved all reconciliations, schedules, and related manual journal entries as of June 30, 2019. The Sheriff will ensure this process is performed monthly.