
JOSEPH P. LOPINTO, III

SHERIFF

HARVEY, LOUISIANA



**911 EMERGENCY COMMUNICATIONS
A SPECIAL REVENUE FUND OF THE
JEFFERSON PARISH SHERIFF'S OFFICE**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

Prepared by:
FINANCE BUREAU

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Chief Financial Officer



**911 EMERGENCY COMMUNICATIONS
JEFFERSON PARISH SHERIFF’S OFFICE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019**

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FINANCIAL SECTION





Independent Auditor's Report

Sheriff Joseph Lopinto
911 Emergency Communications Special Revenue Fund
Jefferson Parish Sheriff's Office
Harvey, Louisiana

We have audited the accompanying financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office as of and for the year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office as of June 30, 2019, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note A, the financial statements present only the 911 Emergency Communications Special Revenue Fund and do not purport to, and do not, present fairly the financial position of the Jefferson Parish Sheriff's Office as of June 30, 2019, and the changes in its financial position or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office. The individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office. The information has been subjected to the auditing procedures applied in the financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office and certain additional procedures, including comparing and reconciling such information directly to the financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of the 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2019, on our consideration of the 911 Emergency Communications Special Revenue Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 911 Emergency Communications Special Revenue Fund's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Metairie, LA
December 23, 2019

FUND FINANCIAL STATEMENTS

**JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA**

**911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2019**

	<u>2019</u>
ASSETS	
Cash and cash equivalents	\$ 5,104,556
Investments	-
Receivables (net of allowance for uncollectibles)	2,070,758
Due from other funds	-
TOTAL ASSETS	<u><u>\$ 7,175,314</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	\$ 48,244
Due to other funds	1,336
Due to other governments	-
TOTAL LIABILITIES	<u>49,580</u>
Fund Balances	
Non-spendable	-
Restricted	7,125,734
Committed	-
Assigned	-
Unassigned	-
TOTAL FUND BALANCES	<u><u>7,125,734</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 7,175,314</u></u>

The accompanying notes are an integral part of this statement.

**JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA**

**911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>
REVENUES	
Taxes	
Property taxes	\$ -
Sales taxes	-
Intergovernmental	7,621,827
Service charges, fees, and commissions	14,577
Fines and forfeitures	-
Interest	68,060
Miscellaneous	9
TOTAL REVENUES	<u>7,704,473</u>
EXPENDITURES	
Current	
Public Safety	
Technical Services	
Salaries and benefits	-
General operating expenditures	2,044,753
Materials and supplies	45,543
Travel	4,449
Capital outlay	24,665
Intergovernmental	1,505,803
TOTAL EXPENDITURES	<u>3,625,213</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,079,260</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	-
Transfers out	(3,444,522)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,444,522)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	634,738
FUND BALANCE	
Beginning of year	6,490,996
End of year	<u>\$ 7,125,734</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA

911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2019

	ACTUAL (GAAP BASIS)	BUDGETARY TO GAAP DIFFERENCES	ACTUAL (BUDGETARY BASIS)	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	7,621,827	-	7,621,827	7,325,000	296,827	7,325,000
Service charges, fees, and commissions	14,577	-	14,577	13,000	1,577	14,000
Fines and forfeitures	-	-	-	-	-	-
Interest	68,060	-	68,060	60,000	8,060	51,000
Miscellaneous	9	-	9	-	9	500
TOTAL REVENUES	7,704,473	-	7,704,473	7,398,000	306,473	7,390,500
EXPENDITURES						
Current						
Public Safety						
Technical Services						
Salaries and benefits	-	-	-	-	-	-
General operating expenditures	2,044,753	16,734	2,061,487	2,158,300	96,813	1,782,970
Materials and supplies	45,543	-	45,543	55,000	9,457	74,500
Cost of goods sold	-	-	-	-	-	-
Travel	4,449	-	4,449	3,500	(949)	25,000
Programs and activities	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Capital outlay	24,665	-	24,665	26,000	1,335	125,500
Intergovernmental	1,505,803	-	1,505,803	1,509,000	3,197	1,509,000
TOTAL EXPENDITURES	3,625,213	16,734	3,641,947	3,751,800	109,853	3,516,970
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,079,260	16,734	4,062,526	3,646,200	416,326	3,873,530
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(3,444,522)	-	(3,444,522)	(3,410,000)	(34,522)	(3,608,500)
TOTAL OTHER FINANCING SOURCES (USES)	(3,444,522)	-	(3,444,522)	(3,410,000)	(34,522)	(3,608,500)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	634,738	16,734	618,004	236,200	381,804	265,030
FUND BALANCE						
Beginning of year	6,490,996	(59,478)	6,550,474	6,550,474	-	6,358,245
End of year	\$ 7,125,734	\$ (42,744)	\$ 7,168,478	\$ 6,786,674	\$ 381,804	\$ 6,623,275

The accompanying notes are an integral part of this statement.

**911 EMERGENCY COMMUNICATIONS
JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA**

**Notes to the Financial Statements
June 30, 2019**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the 911 Emergency Communications Fund (the "Sheriff's 911 Fund"), a Special Revenue Fund of the Jefferson Parish Sheriff's Office, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Sheriff's 911 Fund's significant accounting policies are described below.

1. Reporting Entity

The Jefferson Parish Emergency Communications District (the "911 District") was created on August 11, 1982 by Parish Ordinance No. 15353. The Louisiana Legislature further codified the statutes pertaining to the District in LRS 33:9121 et seq. Under these statutes, the Parish of Jefferson is responsible for establishing an emergency communications district utilizing the number 911 as the primary emergency telephone number in the Parish. The Parish governing authority (i.e., the Council) is also given oversight of the 911 District.

Under JP Resolution No. 118115, dated December 15, 2011, the Parish of Jefferson authorized the Sheriff of Jefferson Parish (the "Sheriff"), to act as the administrator of the 911 District. The original cooperative endeavor agreement was signed on January 5, 2012 and ran until June 30, 2016. The latest extension was signed on May 16, 2018 under Resolution No. 131442. The agreement now runs until June 30, 2020. Under this agreement, the Parish of Jefferson continues to receive the amounts paid by the citizens to their telephone service providers and then remits the collections to the Jefferson Parish Sheriff in the month or quarter after collection. The Sheriff then deposits these funds into a Special Revenue Fund and accounts for all of the day-to-day activities of operating the 911 District within this fund.

This report only shows the 911 Emergency Communications Special Revenue Fund. It is presented separate and apart from the Sheriff's financial statements in order to provide information on the activities performed under this agreement and does not purport to, and does not present the financial position of the Sheriff. The amounts included in this report are reported as a Special Revenue Fund within the Sheriff's basic financial statements.

2. Individual Fund Financial Statements

The Sheriff's 911 Fund uses fund accounting to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The Sheriff's 911 Fund is classified as a *governmental fund*.

Governmental funds are used to account for all or most of the Sheriff's 911 Fund's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds), if any.

For 2019, the Sheriff only reports a Special Revenue Fund (i.e., no capital or debt service activity related to the Sheriff's administration of the 911 District was incurred). As such, the **911 Emergency Communications Special Revenue Fund** is used to account for funds remitted to the Sheriff under the cooperative endeavor agreement with the Parish in order to administer the daily operations and maintenance of the Parish's 911 Emergency Communications District.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Sheriff’s 911 Fund considers the service charges remitted by the Parish to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are intergovernmental reimbursement, interest and grants. Substantially all other revenues are recorded when received.

4. Assets, Liabilities and Net Assets/Fund Equity

A. Cash and Investments

For reporting purposes, cash and cash equivalents include amounts in demand deposits and petty cash. In accordance with GASB Codification Section I50, investments are generally stated at fair value. Money market investments that have a remaining maturity at time of purchase of one year or less are not stated at fair value but are stated at costs or amortized cost. Money market investments include short-term, highly liquid debt instruments such as commercial paper and U.S. Treasury and agency obligations.

Louisiana Revised Statutes (LSA-RS 33:2955) authorized the Sheriff’s 911 Fund to invest in: (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government, (2) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, (3) direct security repurchase agreements of any federal book entry only securities, (4) time certificates of deposits of state banks organized under the law of Louisiana and national banks having their principal offices in the state of Louisiana, savings accounts or shares of savings and loan associations, (5) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies, or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor’s Corporation or Moody’s Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

B. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

C. *Inventories*

The costs of material and supplies acquired by governmental funds are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2019 would not be material to the financial statements.

D. *Deferred Charges and Prepaid Items*

Payments made to vendors for services that will benefit periods beyond June 30, 2019 are recorded as deferred charges or prepaid items in the fund financial statements. These items will be recognized as expenses or expenditures when the benefit or expense is earned/used.

E. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets, are not reported on the balance sheet at the fund financial statement level. As such, no capital assets are presented in this report. It should also be noted that the capital assets of the 911 District are not reported within the financial statements of the Jefferson Parish Sheriff's Office. Since the Parish is still the governing authority and has title to the assets, they are recorded on the books of the Parish of Jefferson.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Instead, they are recorded as expenditures when incurred.

F. *Long-term Obligations*

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

G. *Fund Equity*

In accordance with GASB Codification Section 1800.142-162, fund balances of the governmental fund types are categorized into one of five categories in the fund financial statements – Non-spendable, Restricted, Committed, Assigned, or Unassigned.

For *committed fund balances*, the Parish Council and/or the Sheriff is considered the highest level of decision-making authority and formal policy memorandum issued by each is needed to establish, modify, or rescind a fund balance commitment. For *assigned fund balances*, the Sheriff and/or Chief Financial Officer may assign amounts to a specific purpose via internal memorandum.

In addition, while the Sheriff's 911 Fund has not formally adopted a minimum fund balance policy, in keeping with the precedence set by the Parish Council, it does have an internal targeted fund balance of 15 percent of current year expenditures.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Sheriff's 911 Fund has also not established a policy for its use of unrestricted fund balance, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

H. Use of Estimates

Preparation of financial statements in accordance with generally accepted accounting principles requires the Sheriff's 911 Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures. Actual results could differ from the estimates that were used.

I. Subsequent Events

The Sheriff's 911 Fund has evaluated subsequent events through December 23, 2019, the date the financial statements were available to be issued.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Budgetary Information

Formal budgetary accounting is employed as a management control device during the year for the Sheriff's 911 Fund because it is a Special Revenue Fund. The annual budget is legally adopted each year by a resolution authorized by the Sheriff.

Expenditures may not exceed budgeted appropriations at the fund level. Management of the Sheriff's 911 Fund may make line-item adjustments within a fund without the Sheriff's or the Parish's approval as long as the total revenues and expenditures do not change. Appropriations which are neither expended nor encumbered lapse at year end.

Budgets are adopted for on a basis consistent with generally accepted accounting principles (GAAP), except that (1) expenditures represented by unpaid invoices received after the year-end budgetary cut-off and which had not been encumbered are recognized when paid, (2) encumbrances are recorded as expenditures, and (3) amounts paid under capital leases are budgeted as rent expenses rather than debt service.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Special Revenue Fund.

In accordance with the Louisiana Local Government Budget Act (LSA-RS 39:1301), the procedures used by the Sheriff in establishing the budgetary data in the financial statements include public notices of the proposed budget, public inspections and hearings. The budget is then legally adopted by the Sheriff through a formal implementation letter. All amendments to the budget must also be approved by the Sheriff. Budgeted amounts included in the accompanying statements are as originally adopted or as finally amended by the Sheriff as of June 20, 2019.

2. Amendments to the Budget

As noted above, the Sheriff made several supplemental budgetary appropriations through the year, the final being made on June 20, 2019. The most significant of the changes made are described below:

Intergovernmental revenues of the Sheriff's 911 Fund were amended at year-end from the original \$7,390,500 to the final of \$7,398,000.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Expenditures of the Sheriff’s 911 Fund were increased by \$234,830. A breakdown by category follows:

Category	Original Budget	Amendments	Final Budget
Salaries and benefits	\$ -	\$ -	\$ -
General operating expenditures	1,782,970	375,330	2,158,300
Materials and supplies	74,500	(19,500)	55,000
Travel	25,000	(21,500)	3,500
Capital outlay	125,500	(99,500)	26,000
Intergovernmental	1,509,000	-	1,509,000
Total	\$ 3,516,970	\$ 234,830	\$ 3,751,800

The increase is due to an increase in general operating expenditures of \$375,330 offset by a decrease of \$19,500 in materials and supplies, a decrease in travel of \$21,500 and a decrease of \$99,500 in capital outlay expense. The increase in general operating expenditures primarily resulted from an increase of \$231,980 in telephone expense, an increase of \$350,500 in repairs and maintenance, a decrease in janitorial costs of \$24,000, a decrease of \$155,250 in other professional services, and a decrease of \$20,000 in computer programming expense.

The decrease in capital outlay related to lower than anticipated need to purchase special purpose equipment. The intergovernmental costs remained at \$1,509,000 (which is made up of reimbursements to the Parish Eastbank Fire Department for fire dispatchers and payments to the Cities of Kenner and Gretna for alternate PSAPs).

Operating transfers out decreased \$198,500 to reimburse the Sheriff’s General Fund for call-takers, police and EMS dispatchers, and IT personnel.

3. Expenditures in Excess of Appropriations

Actual expenditures (on a budgetary basis) totaled \$3,641,947, which was \$109,853 or 2.9% under budget. This is well within the statutorily allowed 5 percent.

4. Reconciliation of Budgetary Basis to GAAP Basis of Accounting in Fund Financial Statements

The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Budgetary Basis) presents a comparison of the legally adopted budget with actual data on the budgetary basis. Since accounting principles on the budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resulting basis, timing, and entity differences in excess (deficiency) of revenues and other sources over expenditures and other uses for the year ended June 30, 2019, is presented below:

	911 Fund
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$ 618,004
Basis Difference	
To adjust for expenditures for unpaid invoices	16,734
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 634,738</u>

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions and Investments

Deposits with Financial Institutions

The deposits at June 30, 2019, consisted of the following:

	Cash	Certificates of Deposit	Other	Total
Deposits in Bank Accounts per Balance Sheet	\$ 5,104,456	\$ -	\$ -	\$ 5,104,456
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution	-	-	-	-
C. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Sheriff's name	-	-	-	-
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 5,140,596	\$ -	\$ -	\$ 5,140,596

State statutes require the Sheriff to protect the deposits of its public funds with either deposit insurance or collateral pledged by its fiscal agent bank in an amount at least equal to the amount on deposit at the bank. Because the Sheriff's 911 Fund is part of the Sheriff's Office, its deposits are covered by the same insurance and/or collateral as the Sheriff. As noted above, all of the deposits were either insured or collateralized.

2. Receivables

Receivables at June 30, 2019 consist of the following:

<u>Due From/Description</u>	<u>Amount</u>
Jefferson Parish	
March 2019 Service Fees	392,938
April 2019 Service Fees	217,117
May 2019 Service Fees	257,297
June 2019 Service Fees	1,203,406
	<u>\$ 2,070,758</u>

These service fees were collected from the Parish shortly after year end and remitted to the Sheriff after year end.

The Sheriff considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts.

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

3. Capital Assets

Fund financial statements do not disclose capital assets on their balance sheets.

The capital assets of the 911 District are recorded on the books of the Parish of Jefferson and not on the Sheriff's financial statements. The Parish Council is still the governing authority of the 911 District and has title to all assets purchased by the 911 District.

Capital outlay expenditures are recorded in the fund financial statements. These outlays are reported to the Parish administration for capitalization purposes and asset tagging.

4. Operating, Maintenance, and Lease Agreements

Maintenance Agreements

The Sheriff's 911 Fund is a party to various operating and maintenance agreements. One of the most significant ones has to do with the maintenance and support of the Tiburon Software and Computer-Aided Dispatch (CAD) system utilized by the 911 District to receive and dispatch emergency calls. When the system was purchased and installed, the first year's maintenance and support was included in the amount paid. During 2019, the Sheriff's 911 Fund expended \$466,875 on this contract. The contract was renewed during 2017 for an additional five-year period.

The following amounts are scheduled to be paid over the next three years under the current contract out of the 911 Emergency Communications District Special Revenue Fund. Should the District opt out of certain modules, the amount of maintenance and support may change.

<u>Fiscal Year</u>	<u>Scheduled Maintenance Fees</u>
6/30/2020	429,973
6/30/2021	451,471
6/30/2022	474,045
	<u>\$ 1,355,489</u>

The 911 District implemented a new VOIP-as-a-Service (VaaS) telecommunications system in 2016. Under this agreement, the 911 District no longer owns the telephone switches and equipment. Instead, it is subscribing for these services from the vendor (West Safety Solutions) and is only required to pay a monthly service fee. Currently, the fee is \$23,450 per month. During 2019, the 911 District expensed \$281,400 on this contract.

The Sheriff's 911 Fund also has a maintenance and support agreement with Motorola related to the communication consoles and other radio and communications equipment and NICE recorders. In 2019, the Sheriff's 911 Fund incurred \$375,603 for the NICE system maintenance.

Operating Agreements

Under Parish Resolution No. 118115, dated December 15, 2011, the Sheriff is the administrator of the 911 Emergency Communications District, formerly run by the Parish. Effective January 5, 2012, the Sheriff took over the daily operations of the 911 District. Under this agreement, the Parish continues to receive the 911 service charges paid by the citizens to their respective telephone companies. These service charges are then remitted to the Sheriff in the month after collection. During 2019, the Parish collected and remitted \$7,621,827 in current year service charges to the Sheriff. This amount is recognized as intergovernmental revenues in the fund financial statements.

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

As part of operating the 911 Emergency Communications District, the Sheriff is obligated to distribute a portion of the 911 funds to the Parish and other agencies as a reimbursement of 911-related operating costs. The Jefferson Parish Eastbank Fire Department is paid \$103,935 monthly to reimburse it for Fire Dispatcher costs. The City of Kenner and the City of Gretna are paid a monthly amount of \$17,583 and \$3,965, respectively, as reimbursement for maintaining back-up PSAP-stations. Effective January 1, 2014, an agreement was signed which calls for the 911 Emergency Communications District to reimburse the Sheriff’s General Fund for the costs of providing call-takers and law enforcement dispatchers. This agreement provides for a reimbursement of actual costs not to exceed certain maximums set forth on a pay scale agreed to within the contract. On that same day, January 1, 2014, the Sheriff took over the responsibility of dispatching Emergency Medical Service (EMS) calls. A separate agreement also allows the Sheriff’s General Fund to be reimbursed for EMS Dispatchers based on actual costs not to exceed certain maximums set forth on a pay scale agreed to within the contract

The Sheriff’s 911 Fund also has an agreement with the Sheriff to reimburse the Sheriff’s Office for costs related to the upgrading of the Sheriff’s Arrest Record Management System (ARMMS). These upgrades are necessary to allow proper communications between the new 911 software system and the Sheriff’s records management system. Finally, the Sheriff’s 911 Fund also reimburses the Sheriff’s General Fund for costs associated with assigning two computer technicians to the 911 District.

For 2019, the total amounts distributed under these intergovernmental agreements are as follows.

<u>Agency</u>	<u>Purpose</u>	<u>Amount Distributed</u>
Sheriff’s General Fund	911 Call-taker/Police Dispatch	\$ 2,718,811
Sheriff’s General Fund	911 EMS Dispatch	431,274
Sheriff’s General Fund	911 IT Technicians	80,000
Sheriff’s State/Local Grant Fund	ARMMS Upgrade	214,437
		<u>3,444,522</u> (see Note C.8)
Jefferson Parish Eastbank Fire	Dispatch	1,247,223
City of Kenner PD	PSAP	211,000
City of Gretna PD	PSAP	47,580
Total Intergovernmental		<u>1,505,803</u>
Total		<u>\$ 4,950,325</u>

5. Fund Balance Components

In accordance with GASB Codification Section 1800.142-162, fund balances of the governmental fund types are categorized into one of five categories – Non-spendable, Restricted, Committed, Assigned, or Unassigned. The Sheriff’s 911 Fund commits, restricts or assigns its fund balances to various specific purposes within each category. Descriptions of the details of these specific purposes are as follows:

Restricted for 911 Emergency Communications Operations and Maintenance

This amount represents the funds restricted for the purpose of operating and maintaining the 911 District. These funds are remitted to the Sheriff under a cooperative endeavor agreement with the Parish and can only be spent on 911 District expenditures.

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

6. Service Charges and Fees

911 Fees

In accordance with LRS 33:9126, the Parish levies an emergency telephone service charge on the citizens of the Parish. These service charges are collected by the respective telephone service provider and remitted to the Parish either monthly or quarterly. The current rates are as follows:

<u>Type of Service</u>	<u>Rate</u>
Wireline Business (Commercial Rate)	\$ 2.07
Wireline Residential	0.66
Wireless Customers	1.26
VOIP Customers	1.00

During 2019, current year revenues for these 911 fees totaled \$7,621,827. This is the net of \$7,426,306 in remittances from the Parish, a reversal of prior year receivables of \$(1,875,237) and an accrual of current year receivables of \$2,070,758 (see Note C.2). The receivable results from some of the 911 service providers remitting on a quarterly or annual basis, rather than monthly.

7. Expenditures of the Sheriff's 911 Fund Paid for by Others

Parish Council

The Jefferson Parish Council (a separate entity) provides the Sheriff's 911 Fund with a certain amount of office space at no cost. The operations of the 911 District are co-located in the 911/Emergency Operations Center (911/EOC) with the Parish's Department of Homeland Security and Telecommunications. The building is held in the name of the Parish. When the 911 District was under the control of the Parish, the 911 District paid for a substantial portion of the cost of the new 911/EOC, as well as an annex to the Parish's Parking Garage. In addition, the Parish holds title to the old facility which is currently being used as a back-up center.

The Sheriff is negotiating with the Parish administration on the amount of operating and maintenance costs the 911 District should be held accountable for. It is the Sheriff's opinion, that in lieu of the amounts paid by the 911 District for the new 911/EOC Building and the related Parish Government Parking Garage Annex, the 911 District should not pay any operating or maintenance costs on the new facilities. To date, the Sheriff's 911 Fund has not paid any of these costs.

Jefferson Parish Sheriff's Office

The Jefferson Parish Sheriff Office is providing office space at its Eastbank Emergency Command Center as a backup 911 facility. Approximately 1,500 sq. ft. is dedicated to the backup 911 facility at no cost to the 911 District.

8. Interfund Transactions and Balances

Interfund Receivables/Payables

As of June 30, 2019, the Sheriff's 911 Fund showed a \$1,336 balance due to other funds.

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Interfund Transfers

The Sheriff's General Fund pays for the salaries and benefits of the 911 Department's administration as well as the call-takers and police and EMS dispatchers working in the 911 Department. The Sheriff's 911 Fund has an agreement with the Sheriff to reimburse him for these costs. This contract calls for a reimbursement of actual costs up to agreed-upon maximums. A similar agreement is also now in place for EMS dispatchers. Another agreement also allows the Sheriff's 911 Fund to reimburse the Sheriff for computer department personnel assigned exclusively to the 911 Department. Finally, as noted above, the Sheriff's 911 Fund has an agreement to reimburse the Sheriff of upgrades to his ARMMS system.

Through June 30, 2019, the Sheriff's 911 Fund transferred \$3,444,522, as follows: \$2,718,811 to the Sheriff's General Fund for 911 call-takers/police dispatchers, \$431,274 to the Sheriff's General Fund for EMS dispatchers, \$80,000 to the Sheriff's General Fund for 911-related computer department salaries, and \$215,000 to the Sheriff's State and Local Grants Special Revenue Fund for ARMMS upgrades.

NOTE D - CONTINGENCIES

1. Risk Management

The Sheriff is generally self-insured for the majority of risks that it faces (auto loss, general and professional liability, group health, etc.). The Parish is also self-insured in many cases. The Sheriff's employees that work in the 911 District are covered by its professional liability and group health plans.

The buildings and contents of the 911/EOC are covered by the Parish either by self-insurance or through insurance policies placed with carriers. The Sheriff also carries some insurance coverage on the contents (furniture and fixtures) of the 911 area of the building.

2. Litigation

The Sheriff is named as a defendant in a number of lawsuits arising principally from claims related to automobile accidents, negligence, and discrimination. As discussed in Note D.1 above, the Sheriff is primarily self-insured with respect to claims of these types. The Sheriff's insurance department and its attorneys have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Sheriff and to arrive at an estimate, if possible, of the amount or range of potential loss to the Sheriff.

The liability of any claim against the Sheriff related to the performance of his employees on 911-related matters is recorded in the Sheriff's self-insurance internal service fund.

SUPPLEMENTAL INFORMATION

JEFFERSON PARISH SHERIFF'S OFFICE
 HARVEY, LOUISIANA

911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2019

	ACTUAL (GAAP BASIS)	BUDGETARY TO GAAP DIFFERENCES	ACTUAL (BUDGETARY BASIS)	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Intergovernmental	7,621,827	-	7,621,827	7,325,000	296,827	7,325,000
Service charges, fees, and commissions	14,577	-	14,577	13,000	1,577	14,000
Fines and forfeitures	-	-	-	-	-	-
Interest	68,060	-	68,060	60,000	8,060	51,000
Miscellaneous	9	-	9	-	9	500
TOTAL REVENUES	<u>7,704,473</u>	<u>-</u>	<u>7,704,473</u>	<u>7,398,000</u>	<u>306,473</u>	<u>7,390,500</u>

JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA

911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2019

	ACTUAL (GAAP BASIS)	BUDGETARY TO GAAP DIFFERENCES	ACTUAL (BUDGETARY BASIS)	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
EXPENDITURES						
Current						
Public Safety						
Technical Services						
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General operating expenditures						
Subscriptions	\$ 655	\$ -	\$ 655	\$ 700	\$ 45	\$ 750
Dues	1,524	-	1,524	1,000	(524)	1,000
Permits & licenses	150	-	150	400	250	250
Advertising	-	-	-	-	-	250
Printing supplies	1,898	-	1,898	1,500	(398)	2,250
Utilities - electricity	-	-	-	-	-	-
Utilities - gas	-	-	-	-	-	-
Utilities - water	-	-	-	-	-	-
Postage	-	-	-	-	-	250
Telephone & communications	1,163,633	11,234	1,174,867	1,224,000	49,133	996,220
Radio & television	4,917	-	4,917	4,200	(717)	4,000
Rental/lease - office equipment	7,537	-	7,537	8,000	463	8,500
Repairs & maintenance						
Buildings	2,968	-	2,968	3,500	532	5,000
HVAC & plumbing	14,402	-	14,402	10,000	(4,402)	10,000
Communications equipment	809,643	-	809,643	845,000	35,357	493,000
Miscellaneous	-	-	-	-	-	-
Litter Control	-	-	-	-	-	-
Housekeeping and janitorial	24,219	-	24,219	24,000	(219)	48,000
Professional services						
Indirect costs	-	-	-	-	-	-
Accounting & auditing	7,000	-	7,000	7,000	-	6,750
Computer programming	(5,500)	5,500	-	15,000	15,000	35,000
Other	1,171	-	1,171	1,500	329	156,750
Deputy programs & events	328	-	328	500	172	-
Insurance premiums	10,208	-	10,208	12,000	1,792	15,000
	<u>2,044,753</u>	<u>16,734</u>	<u>2,061,487</u>	<u>2,158,300</u>	<u>96,813</u>	<u>1,782,970</u>
Materials and supplies						
Office supplies	13,043	-	13,043	13,000	(43)	4,500
Supplies & licenses - computers	34,441	-	34,441	35,000	559	40,000
Special purpose supplies	30	-	30	-	(30)	-
Training Supplies	(8,118)	(845)	(8,963)	-	8,963	1,000
Kitchen supplies	1,760	-	1,760	2,000	240	1,000
Emergency supplies	-	-	-	1,000	1,000	10,000
Tuition & registration fees	4,387	-	4,387	3,000	(1,387)	18,000
Gas & oil	-	-	-	-	-	-
	<u>45,543</u>	<u>(845)</u>	<u>44,698</u>	<u>54,000</u>	<u>9,302</u>	<u>74,500</u>
Cost of goods sold						
	-	-	-	-	-	-
Travel						
Transportation	-	-	-	500	500	20,000
Lodging	2,435	-	2,435	500	(1,935)	-
Meals	2,014	(2,014)	-	-	-	5,000
	<u>4,449</u>	<u>(2,014)</u>	<u>2,435</u>	<u>1,000</u>	<u>(1,435)</u>	<u>25,000</u>
Programs and activities						
	-	-	-	-	-	-
Miscellaneous						
	-	-	-	-	-	-
Capital outlay						
Improvements other than buildings	-	-	-	-	-	-
Equipment	24,665	-	24,665	25,500	835	125,500
Furniture & fixtures	-	-	-	500	500	-
	<u>24,665</u>	<u>-</u>	<u>24,665</u>	<u>26,000</u>	<u>1,335</u>	<u>125,500</u>
Intergovernmental						
EB Fire	1,247,223	-	1,247,223	1,250,000	2,777	1,250,000
EMS Dispatchers	-	-	-	-	-	-
City of Gretna	47,580	-	47,580	48,000	420	48,000
City of Kenner	211,000	-	211,000	211,000	-	211,000
	<u>1,505,803</u>	<u>-</u>	<u>1,505,803</u>	<u>1,509,000</u>	<u>3,197</u>	<u>1,509,000</u>
TOTAL EXPENDITURES	\$ 3,625,213	\$ 13,875	\$ 3,639,088	\$ 3,748,300	\$ 109,212	\$ 3,516,970

**JEFFERSON PARISH SHERIFF'S OFFICE
HARVEY, LOUISIANA**

**911 EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2019**

This report contains only the activities of the Jefferson Parish Sheriff's Office's 911 Emergency Communications Special Revenue Fund. It does not present financial information of the Jefferson Parish Sheriff or of the Jefferson Parish Emergency Communications District in the whole.

The Parish President of Jefferson Parish, Louisiana is the Chief Executive Officer of the Jefferson Parish Emergency Communications District and the Sheriff of Jefferson Parish is the Chief Administrative Officer of the Special Revenue Fund under the cooperative endeavor agreement between the two agencies.

Please refer to the Comprehensive Annual Financial Reports of those two agencies for information on any compensation or benefits paid to each.

COMPLIANCE SECTION





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

Sheriff Joseph Lopinto
911 Emergency Communications Special Revenue Fund
Jefferson Parish Sheriff's Office
Harvey, 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 911 Emergency Communications Special Revenue Fund of the Jefferson Parish Sheriff's Office (the "Fund"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the fund financial statements of the Fund, and have issued our report thereon dated December 23, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund'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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund'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 Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Metairie, LA
December 23, 2019

END OF REPORT

