

MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEAR ENDED
JUNE 30, 2024

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**TABLE OF CONTENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	4
Statement of Activities	5
FUND FINANCIAL STATEMENTS	
Governmental Funds:	
Balance Sheet	6
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures, and Changes in Fund Balances	8
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	9
Fiduciary Funds - Agency Funds:	
Statement of Net Position	10
Statement of Changes in Fiduciary Net Position	11
Notes to Financial Statements	12-37
REQUIRED SUPPLEMENTAL INFORMATION	
Budgetary Comparison Schedules - Major Funds	38-40
Employee Health Care Plan - Schedule of Funding Progress	41
Schedule of Sheriff's Proportionate Share of Net Pension Liability	42
Schedule of Sheriff's Contributions	43
OTHER SUPPLEMENTAL SCHEDULES	
Fiduciary Funds - Agency Funds:	
Fund Descriptions	44
Combining Statement of Net Position	45
Combining Schedule of Changes in Unsettled Balances Due to Taxing Bodies and Others	46-47
Affidavit	48
Schedule of Compensation, Benefits and Other Payments to Agency Head	49
Justice System Funding Schedule - Collecting/Disbursing Entity	50-51
Justice System Funding Schedule - Receiving Entity	52
OTHER REPORTS	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	53-54
Schedule of Findings and Responses	55-57
Summary Schedule of Prior Year Findings	58
Statewide Agreed-Upon Procedures Representation Letter	59-61
Independent Accountant's Report on Applying Agreed-Upon Procedures	62-76
Management's Corrective Action Plan	77

INDEPENDENT AUDITOR'S REPORT

Honorable Mike Tubbs
Morehouse Parish Sheriff
Bastrop, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the fiduciary fund type – agency funds of Morehouse Parish Sheriff, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Morehouse Parish Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the fiduciary fund type – agency funds, of Morehouse Parish Sheriff, as of June 30, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Morehouse Parish Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Morehouse Parish Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Morehouse Parish Sheriff's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information (pages 38-40), the Employee Health Care Plan – Schedule of Funding Progress (page 41), Schedule of Sheriff's Proportionate Share of Net Pension Liability (page 42), and Schedule of Sheriff's Contributions (page 43), be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted 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 opinion on the basic financial statements is not affected by this missing information.

Morehouse Parish Sheriff
Bastrop, Louisiana
Independent Auditor's Report
June 30, 2024

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Morehouse Parish Sheriff's basic financial statements. The accompanying combining schedules of fiduciary fund – Agency Funds; the Affidavit regarding cash on hand, taxes assessed, and taxes collected; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; and the Justice System Funding Schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed above is fairly stated, in all material respects, in relation to the basic 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 27, 2024, on our consideration of Morehouse Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Morehouse Parish Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Morehouse Parish Sheriff's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC
Bosch & Statham
Ruston, Louisiana
December 27, 2024

Basic Financial Statements

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Governmental Activities	Component Unit - Morehouse DARE, Inc.
ASSETS		
Cash and cash equivalents	\$ 3,977,792	\$ 70,783
Cash and cash equivalents - restricted	44,766	-
Receivables, net of allowance for uncollectibles	1,124,881	-
Capital assets, net of accumulated depreciation	1,943,575	-
TOTAL ASSETS	<u>7,091,014</u>	<u>70,783</u>
DEFERRED OUTFLOWS		
Pension related	2,767,139	-
OPEB related	617,755	-
TOTAL DEFERRED OUTFLOWS	<u>3,384,894</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts, salaries and other payables	431,503	-
Noncurrent liabilities:		
Compensated absences	426,554	-
Net pension liability	4,812,703	-
Net OPEB liability	11,425,127	-
TOTAL LIABILITIES	<u>17,095,887</u>	<u>-</u>
DEFERRED INFLOWS		
Pension related	202,892	-
OPEB related	2,788,782	-
TOTAL DEFERRED INFLOWS	<u>2,991,674</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	1,943,575	-
Restricted net position	-	70,783
Unrestricted net position	(11,555,228)	-
TOTAL NET POSITION	<u>\$ (9,611,653)</u>	<u>\$ 70,783</u>

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	COMPONENT UNIT - MOREHOUSE DARE, INC.
Public safety	\$11,770,142	\$ 4,326,375	\$ 1,397,783	\$ 50,173	\$ (5,995,811)	
Total governmental activities	\$11,770,142	\$ 4,326,375	\$ 1,397,783	\$ 50,173	(5,995,811)	
Component Unit - Morehouse DARE, Inc.	\$ 26,577	\$ -	\$ 34,790	\$ -		\$ 8,213
General revenues:						
Taxes levied for:						
Property taxes					979,621	-
Sales and use taxes					4,914,766	-
Unrestricted investment earnings					71,231	-
Gain (loss) on disposal of capital assets					5,217	-
Proceeds from insurance					32,195	-
Donations					10,725	2,400
Other					265,008	-
Total general revenues					6,278,763	2,400
Change in net position					282,952	10,613
Net position at beginning of year					(9,894,605)	60,170
Net position at end of year					\$ (9,611,653)	\$ 70,783

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF JUNE 30, 2024**

ASSETS	GENERAL FUND	CORRECTIONS FUND	TOTALS
Cash and cash equivalents	\$ 3,670,175	\$ 307,617	\$ 3,977,792
Cash and cash equivalents - restricted	44,766	-	44,766
Receivables	623,077	465,639	1,088,716
Due from other funds	968,895	37,068	1,005,963
TOTAL ASSETS	<u>\$ 5,306,913</u>	<u>\$ 810,324</u>	<u>\$ 6,117,237</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other current payables	\$ 237,561	\$ 193,942	\$ 431,503
Due to other funds	3,587	966,211	969,798
Total liabilities	<u>241,148</u>	<u>1,160,153</u>	<u>1,401,301</u>
Fund balances:			
Unassigned	<u>5,065,765</u>	<u>(349,829)</u>	<u>4,715,936</u>
Total fund balances	<u>5,065,765</u>	<u>(349,829)</u>	<u>4,715,936</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 5,306,913</u>	<u>\$ 810,324</u>	<u>\$ 6,117,237</u>

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE
SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

Total fund balances - governmental funds \$ 4,715,936

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

Capital assets used in governmental activities are not financial resources 1,943,575
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds

Deferred outflows - pension related 2,767,139

Deferred outflows - OPEB related 617,755

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund statements:

Compensated absences (426,554)
Net OPEB obligation (11,425,127)
Net pension liability (4,812,703)

Deferred inflows - pension related (202,892)

Deferred inflows - OPEB related (2,788,782)

Net position of governmental activities \$ (9,611,653)

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	GENERAL FUND	CORRECTIONS FUND	TOTALS
Revenues:			
Taxes:			
Ad valorem	\$ 979,621	\$ -	\$ 979,621
Sales and use	4,914,766	-	4,914,766
Intergovernmental funds:			
Federal government grants	209,546	-	209,546
State government grants	532,361	-	532,361
State government shared revenue	100,568	-	100,568
Local government grants	605,481	-	605,481
Charges for services	146,636	3,998,398	4,145,034
Fines and forfeitures	181,341	-	181,341
Investment earnings	66,409	4,822	71,231
Contributions and donations from private sources	10,725	-	10,725
Other revenues	1,372	-	1,372
Total revenues	<u>7,748,826</u>	<u>4,003,220</u>	<u>11,752,046</u>
Expenditures:			
Current:			
Public safety			
Personal services	4,637,388	3,053,947	7,691,335
Operating services	706,946	568,503	1,275,449
Materials and supplies	350,969	985,511	1,336,480
Travel and other charges	92,391	11,051	103,442
Capital outlay	336,796	77,380	414,176
Total expenditures	<u>6,124,490</u>	<u>4,696,392</u>	<u>10,820,882</u>
Excess (deficiency) of revenues over expenditures	<u>1,624,336</u>	<u>(693,172)</u>	<u>931,164</u>
Other sources (uses):			
Proceeds from the sale of assets	5,217	-	5,217
Proceeds from insurance	32,195	-	32,195
Total other sources (uses)	<u>37,412</u>	<u>-</u>	<u>37,412</u>
Net change in fund balances	1,661,748	(693,172)	968,576
Fund balances at beginning of year	3,404,017	343,343	3,747,360
Fund balances at end of year	<u>\$ 5,065,765</u>	<u>\$ (349,829)</u>	<u>\$ 4,715,936</u>

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Net change in fund balances - total governmental funds \$ 968,576

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	414,176
Depreciation expense	(311,239)

Some items reported in the statement of activities, such as the change in the OPEB obligation, change in GASB 68 pension liability, or a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds:

Change in OPEB obligation	(67,826)
Pension expense	(984,371)
Nonemployer contributions to pension plan	<u>263,636</u>

Change in net position of governmental activities \$ 282,952

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**FIDUCIARY FUND TYPE - AGENCY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

ASSETS

Cash and cash equivalents	\$ 676,811
Due from other funds	<u>3,587</u>
Total assets	<u>\$ 680,398</u>

LIABILITIES

Due to other funds	\$ 39,752
Due to taxing bodies and others	<u>640,646</u>
Total liabilities	<u>\$ 680,398</u>

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**FIDUCIARY FUND TYPE - AGENCY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSTION
AS OF JUNE 30, 2024**

Unsettled balances due to taxing bodies and others - beginning	<u>\$ 747,469</u>
Additions:	
Deposits:	
Ad valorem taxes:	
Current year	16,502,714
Prior year	33,726
Appearance bonds, fines, etc.	362,951
Beer, liquor, and bingo licenses	6,350
Garnishments	101,253
Interest:	
Bank account	27,808
Delinquent taxes	33,006
Occupational licenses	85,783
Sales	396,543
State revenue sharing	499,654
Tax notices	86,340
Other additions	<u>2,881,916</u>
Total additions	<u>21,018,044</u>
Reductions:	
Deposits settled to:	
Bastrop Fire District No. 2	1,202,962
Bonne Idee Drainage District	24,564
Hospital Service District	2,202,053
Louisiana Tax Commission	19,454
Morehouse Parish:	
Clerk of Court	42,380
Assessor	648,993
Police Jury	2,809,612
School Board	7,400,282
Sheriff	1,276,487
Library	584,963
Pension Funds	461,301
Tensas Basin Levee District	339,974
Ward 2 Fire District No. 1	115,776
Ward 5 Fire District No. 1	59,026
Ward 6 Fire District No. 1	157,930
Ward 8 Fire District No. 1	60,299
Ward 10 Fire District No. 1	41,227
Other settlements	<u>3,637,832</u>
Total reductions	<u>21,085,115</u>
Unsettled balances due to taxing bodies and others - ending	<u>\$ 680,398</u>

The accompanying notes are an integral part of these financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

Introduction

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

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs and anti-drug abuse programs. Additionally, 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 the collection and distribution of ad valorem property taxes; occupational licenses; beer and liquor licenses; state revenue sharing; and fines, costs, and bond forfeitures imposed by the district court.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The accompanying financial statements and notes thereto are presented in accordance with Statement No. 34.

Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, as amended by subsequent statements, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity for Morehouse Parish Sheriff consists of (a) the primary government (Sheriff), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

GASB Statement No. 14 established criteria for determining which component units should be considered part of Morehouse Parish Sheriff for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the Sheriff to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Sheriff.
2. Organizations for which the Sheriff does not appoint a voting majority but are fiscally dependent on the Sheriff.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As the governing authority of the parish, for reporting purposes, Morehouse Parish Police Jury is the financial reporting entity for Morehouse Parish. The Sheriff is an independently elected official that is not fiscally dependent on Morehouse Parish Police Jury. Therefore, the Sheriff is not a component unit of the financial reporting entity for Morehouse Parish.

Component units that are legally separate from the Sheriff, but are financially accountable to the Sheriff, or whose relationship with the Sheriff is such that exclusion would cause the Sheriff's financial statements to be misleading or incomplete are discretely presented. The component unit column on the statement of net position and on the statement of activities includes the financial data of Morehouse Dare Inc. ("DARE"), the discretely presented component unit. The component unit's data is reported in a separate column to emphasize that it is legally separate from the Sheriff. The purpose of DARE is to develop, promote, monitor, and evaluate the drug awareness program parish wide. DARE is financially accountable to the Sheriff because (1) the director of DARE is an employee of the Sheriff (criteria 1. above), and (2) because the Sheriff can impose its will on DARE by the Sheriff's ability to affect the activities and level of service performed by DARE (criteria 1.a. above). In addition, the Sheriff provides funding in the form of state grant funds being passed through to the organization and the Sheriff can reassign or dismiss those persons responsible for the day-to-day operations of DARE.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. In the government-wide presentation, governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund financial statements, where applicable. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program revenues included in the statement of activities are derived directly from users as a fee for services or are grants that are restricted to meeting the requirement of a particular program. Program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Equity is classified as net position and displayed in three components:

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

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

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

Fund Financial Statements

Separate financial statements are provided for governmental funds and, where applicable, proprietary and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and, where applicable, major individual enterprise funds are reported as separate columns in the fund financial statements.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Governmental Fund Type

The Sheriff's current year financial statements include the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the Sheriff. It accounts for all financial resources except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Sheriff's policy.

Corrections Fund – The Corrections Fund is used to account for the operation and maintenance of the Morehouse Parish Jail Annex and the Collinston Detention Center. The primary source of revenue is state funds for feeding and maintaining state prisoners.

Fiduciary fund Type

Fiduciary fund reporting focuses on net asset and changes in net position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections, fines, and licenses), deposits held pending court action, inmates' personal funds, and funds earned by inmates under the work release program. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of Accounting

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

Accrual

Both governmental and business-type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded as revenue in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recognized as revenue when received by the Sheriff's collection agent, Morehouse Parish Sales and Use Tax Commission. Intergovernmental revenues and fees, charges, and commissions for services are recorded when the Sheriff is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured, and the interest is available.

Based on the above criteria, ad valorem taxes; state revenue sharing; sales and use taxes; intergovernmental revenues; and fees, charges, and commissions for services are treated as susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Sheriff.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

The statements contain no provision for uncollectible accounts. The Sheriff is of the opinion that such allowance would be immaterial in relation to the basic financial statements taken as a whole.

Expenditures

Expenditures are generally recognized under the modified accrual basis when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds which are not expected to be repaid and insurance proceeds are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

Budgets and Budgetary Accounting

Proposed budgets for the General Fund and the Corrections Fund are prepared on the modified accrual basis of accounting and published in the official journal prior to the public hearing. Public hearings are held at the Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the Sheriff and amended during the year, as necessary. Budgets are established and controlled by the Sheriff at the object level of expenditure. All annual appropriations lapse at fiscal year-end.

Encumbrance accounting is not used. However, formal budgetary integration is employed as a management control device during the fiscal year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

Deposits and Investments

The Sheriff's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the Sheriff to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Currently, the agency funds' investments consist of non-negotiable certificates of deposit with original maturities that exceeded ninety days and are reported in the accompanying financial statements at cost, which approximates market value.

Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year 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."

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad Valorem Taxes

All property tax receivables are shown net of uncollectible accounts. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15th. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected during December, January and February of the fiscal year.

As provided by Louisiana Revised Statute 33:9001 a law enforcement district has been created for the purpose of providing financing to the office of the Sheriff. Louisiana Revised Statute 33:9003 requires the district to levy a tax on the assessed valuation of all property appearing on the 1977 and subsequent tax rolls in an amount that would produce for the district in the initial year the same revenue as that estimated to be produced by the Sheriff's commission on ad valorem taxes for the fiscal year ended June 30, 1977. For the 2023 tax roll, the district levied 5.46 mills on property with an assessed value of \$211,888,211.

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2023 assessed valuation (amounts expressed in thousands):

	Assessed Valuation	Percent of Total Assessed Valuation	Tax
Entergy Louisiana Holdings, Inc.	\$ 7,703	3.64%	\$ 735
Texas Gas Transmission Corp.	7,485	3.53%	712
Morehouse Bioenergy, LLC	6,600	3.11%	610
Union Pacific Railroad Company	5,218	2.46%	501
Tennessee Gas Pipeline	4,226	1.99%	398
Kennedy Rice Mill, LLC	3,325	1.57%	337
Gulf South Pipeline	3,263	1.54%	329
Kennedy Rice Dryers, LLC	3,133	1.48%	316
Midcontinent Express Pipeline, LLC	2,536	1.20%	256
Southern Natural Gas Co.	2,773	1.31%	240
Total	\$ 46,262	21.83%	\$ 4,434

Sales and Use Taxes

In October of 1998, voters of the parish approved a one-half of one percent (.5%) sales and use tax. The proceeds of the tax, after paying reasonable and necessary costs of collection, are dedicated to operation of the law enforcement district. In May 2009, the tax was renewed for ten years expiring on December 31, 2019. In October 2019, the tax was renewed for a term of ten years effective January 1, 2020, and ending December 31, 2029. The Sheriff has entered into an agreement with Morehouse Parish Sales and Use Tax Commission for collection of the tax. For its services, the collection agent receives a one and one-half percent to two percent (1.5% - 2%) collection fee.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sales and Use Taxes (Continued)

In April of 2011, voters of the parish approved an additional one percent (1%) sales and use tax to be collected indefinitely. The proceeds of the tax, after paying reasonable and necessary costs of collection, are dedicated to operation of the law enforcement district. The Sheriff has entered into an agreement with Morehouse Parish Sales and Use Tax Commission for collection of the tax. For its services, the collection agent receives a one and one-half percent to two percent (1.5% - 2%) collection fee.

Capital Assets

Capital assets, which include property, plant, equipment, etc., are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available.

Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	40 Years
Equipment	5 - 15 Years
Vehicles	5 Years

Compensated Absences

Employees of the Sheriff earn from ten to thirty days of vacation leave each year, depending on length of service. The Sheriff requires employees to use all accrued vacation days prior to the employee's next anniversary date unless approved for carryover by the chief deputy or sheriff.

Employees earn three to six hours of sick leave each pay period, depending on length of service up to a maximum of 156 hours per year. Employees can accrue an unlimited amount of sick leave.

Employees earn compensatory time at the rate of one hour earned for one hour worked until eighty-six hours accumulated in a fourteen-day work period. Thereafter, time is earned at the rate of one and half times each overtime hour worked. Employees may accumulate unused compensatory time. Accumulated compensatory time is paid to the employee in the form of days off or is paid to the employee at the employee's current rate of pay upon separation from service.

Estimated accrued compensated absences resulting from unused vacation and compensatory time at the end of the fiscal year are recorded in the government-wide financial statements as long-term liabilities. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

The cost of accumulated compensatory time is reported as an expenditure of the General Fund when the employee uses the time in the form of days off or is paid for accumulated time upon separation from service.

Long-term Obligations

In the government-wide financial statements, long-term obligations, such as certificates of indebtedness and compensated absences are reported as liabilities in the applicable governmental activities.

In the fund financial statements, governmental fund types recognize long-term obligations only to the extent that they will be paid with current resources. The fund financial statements recognize proceeds of debt as other financing sources of the current period. Expenditures for long-term debt principal and interest are recorded in the fund financial statements in the year payments are due.

Accounting principles generally accepted in the United States of America require that postemployment benefits for retired employees be accrued and reported as liabilities in the government-wide financial statements.

Fund Equity

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Sheriff classifies governmental fund balances as follows:

Non-spendable fund balance includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted fund balance includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed fund balance includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. Fund balance may be committed by the Sheriff.

Assigned fund balance includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Sheriff.

Unassigned fund balance includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Sheriff, which are either unusual in nature or infrequent in occurrence.

Estimates

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

NOTE 2 - CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that the Sheriff's deposits may not be returned to it in the event of a bank failure. The Sheriff's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand.

Under state law, the Sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2024, the Sheriff has cash and cash equivalents (book balances) totaling \$4,699,369, as follows:

Primary government:	
Demand deposits	\$ 3,697,305
Time deposits	1,000,000
Cash on hand	664
Petty cash	1,400
Total	<u>4,699,369</u>
Amounts held in agency funds	<u>(676,811)</u>
Total primary government	<u>\$4,022,558</u>
Component unit:	
Demand deposits	<u>\$ 70,783</u>

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

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)

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. As of June 30, 2024, the Sheriff had bank balances as follows:

Insured by FDIC	<u>\$ 621,234</u>
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the Sheriff's name	<u>4,314,168</u>
Total balances exposed to custodial credit risk	<u>4,314,168</u>
Total bank balances	<u><u>\$ 4,935,402</u></u>

NOTE 3 - RECEIVABLES

The receivables of \$1,088,716 at June 30, 2024, are as follows:

	<u>General Fund</u>	<u>Corrections Fund</u>	<u>Totals</u>
Taxes:			
Property	\$ 4,894	\$ -	\$ 4,894
Sales	407,712	-	407,712
Intergovernmental:			
Federal grants	75,587	-	75,587
State grants	76,230	-	76,230
Fees, charges and commissions for services	18,632	465,639	484,271
Fines and forfeitures	5,277	-	5,277
Other	<u>34,745</u>	-	<u>34,745</u>
Total governmental funds	<u>\$ 623,077</u>	<u>\$ 465,639</u>	<u>\$ 1,088,716</u>

The following amounts are presented as interfund balances in the Fund Financial Statements and receivables in the Governmental Activities column of the Government-Wide Financial Statements:

- General Fund – error in distributions incorrectly remitted to the General Fund instead of a taxing body due to the Tax Collector Fund – \$3,587
- Civil Fund – Sheriff’s commission on collections owed to the General Fund – \$2,684
- Commissary Fund – expenses paid on behalf of inmates owed to the Corrections Fund – \$4,028
- Work Release Fund – Sheriff’s fee for inmate participation in the program owed to the Corrections Fund – \$33,040

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Interfund balances as of June 30, 2024, were as follows:

		Due To			
		General	Corrections	Fiduciary Funds - Agency Funds	Total
Due From	General	\$ -	\$ -	\$ 3,587	\$ 3,587
	Corrections	966,211	-	-	966,211
	Fiduciary Funds - Agency Funds	2,684	37,068	-	39,752
	Total	<u>\$ 968,895</u>	<u>\$ 37,068</u>	<u>\$ 3,587</u>	<u>\$ 1,009,550</u>

NOTE 5 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Construction in Progress	\$ -	\$ 18,067	\$ -	\$ 18,067
Total capital assets not being depreciated	<u>-</u>	<u>18,067</u>	<u>-</u>	<u>18,067</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 3,509,846	\$ -	\$ -	\$ 3,509,846
Equipment	808,962	79,290	-	888,252
Vehicles	1,563,000	316,819	(119,001)	1,760,818
Total capital assets being depreciated	<u>5,881,808</u>	<u>396,109</u>	<u>(119,001)</u>	<u>6,158,916</u>
Less accumulated depreciation for:				
Buildings and improvements	2,314,755	87,745	-	2,402,500
Equipment	658,979	30,174	-	689,153
Vehicles	1,067,436	193,320	(119,001)	1,141,755
Total accumulated depreciation	<u>4,041,170</u>	<u>311,239</u>	<u>(119,001)</u>	<u>4,233,408</u>
Total capital assets, net	<u>\$ 1,840,638</u>	<u>\$ 102,937</u>	<u>\$ -</u>	<u>\$ 1,943,575</u>

Depreciation expense of \$311,239 is included in public safety expenses of the primary government on the statement of activities.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2024:

	Beginning Balance	Additions	Deductions	Ending Balance
Compensated Absences	426,554	3,807	(3,807)	426,554
Net OPEB Obligation	11,428,035	-	(2,908)	11,425,127
Net Pension Liability (Asset)	4,379,853	432,850	-	4,812,703
Total	<u>\$16,234,442</u>	<u>436,657</u>	<u>(6,715)</u>	<u>\$16,664,384</u>

As discussed in Note 1, upon separation from service, employees are paid for accumulated leave at their then current rate of pay. Adjustments to the compensated absence liability include adjusting the ending liability to ending pay rates and to limitations on the hours for which an employee will be paid.

NOTE 7 - RETIREMENT SYSTEM

Sheriffs' Pension and Relief Fund (System)

Plan Description

The Morehouse Parish Sheriff contributes to the Sheriffs' Pension and Relief Fund (System) which is a cost sharing multiple employer defined benefit pension plan. All sheriffs and deputies who are 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 7, 1979, and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000, are required to participate in the System.

Members who become eligible for membership on or before December 31, 2011, may retire at age fifty-five with twelve years of creditable service or may retire at any age with thirty years of service. 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.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 7 - RETIREMENT SYSTEM (CONTINUED)

Members whose first employment began on or after January 1, 2012, may retire at age sixty-two with twelve years of creditable service, or may retire at age sixty with twenty years of creditable service, or may retire at age fifty-five with thirty years of creditable service. 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 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 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 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.

For the year ended June 30, 2024, the Morehouse Parish Sheriff's total payroll for all employees was \$5,898,625. Total covered payroll was \$4,499,956. Covered payroll refers to all compensation paid by the Morehouse Parish Sheriff to active employees covered by the Plan.

The System also provides death and disability benefits; benefits are established or amended by state statute.

Employer Contributions

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ended June 30, 2024, the actual employer contribution rates were 11.50%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The Morehouse Parish Sheriff's contributions to the System for the year ending June 30, 2024, were \$517,495. In accordance with state statute, the System 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.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 7 - RETIREMENT SYSTEM (CONTINUED)

Members are required by state statute to contribute 10.25% of their annual covered salary. The contributions are deducted from the employee’s wages or salary and remitted by the Morehouse Parish Sheriff to the System monthly.

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

At June 30, 2024, the Employer reported a liability of \$4,812,703 for its proportionate share of the Net Pension Liability/Asset. The Net Pension Liability/Asset was measured as of June 30, 2023 and the total pension liability/asset used to calculate the Net Pension Liability/Asset was determined by an actuarial valuation as of that date. The Morehouse Parish Sheriff’s proportion of the Net Pension Liability/Asset was based on a projection of the Morehouse Parish 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, 2023, the Morehouse Parish Sheriff’s proportion was 0.00547659%, which was an increase of 0.008790% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Morehouse Parish Sheriff recognized pension expense of \$1,570,397 plus employer’s amortization of change in proportionate share, differences between employer contributions and proportionate share of contributions, and current year contributions, (\$586,026). Total pension expense was \$984,371.

At June 30, 2024, the Morehouse Parish 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	893,122	88,083
Changes in assumptions	369,920	-
Net difference between projected and actual earnings on pension plan	961,400	-
Changes in employer’s proportion of beginning net pension liability	24,084	113,458
Differences between employer and proportionate share of contributions	1,118	1,351
Subsequent measurement contributions	517,495	-
Total	2,767,139	202,892

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 7 - RETIREMENT SYSTEM (CONTINUED)

The \$517,495 reported as deferred outflows of resources related to pensions resulting from Morehouse Parish Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability/Asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:	
2025	571,193
2026	314,677
2027	1,096,449
2028	64,434

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 are as follows:

Valuation Date	June 30, 2023
Actuarial Cost Method	Individual Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return (Discount Rate)	6.85%, net of pension plan investment expense, including inflation
Projected Salary Increases	5.00% (2.50% inflation, 2.50% merit)
Mortality Rates	<p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.</p>
Expected remaining service lives	2023 – 5 years 2022 – 5 years 2021 – 5 years 2020 – 6 years 2019 – 6 years 2018 – 6 years 2017 – 7 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.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 7 - RETIREMENT SYSTEM (CONTINUED)

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

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

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2023 were as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Rate of Return</u>	
		<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity securities	62%	6.69%	4.15%
Fixed Income	25%	4.92%	1.23%
Alternative investments	<u>13%</u>	5.77%	<u>0.75%</u>
Totals	100%		6.13%
Inflation			<u>2.49%</u>
Expected arithmetic nominal return			<u>8.62%</u>

The discount rate used to measure the total pension liability was 6.85%. 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.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 7 - RETIREMENT SYSTEM (CONTINUED)

Sensitivity of the Morehouse Parish Sheriff's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Morehouse Parish Sheriff's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the Morehouse Parish Sheriff's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate as of June 30, 2023:

	Changes in Discount Rate		
	1% Decrease	Current Discount Rate	1% Increase
	<u>5.85%</u>	<u>6.85%</u>	<u>7.85%</u>
Net Pension Liability	<u>\$8,528,189</u>	<u>\$4,812,703</u>	<u>\$1,714,051</u>

Plan Fiduciary Net Position

Detailed information about the System's fiduciary net position is available in the separately issued Sheriff's Pension and Relief Fund audit report for the year ended June 30, 2023. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Effective for the year ended June 30, 2024, the Morehouse Parish Sheriff implemented Government Accounting Standards Board Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions* (GASB 75).

Plan description

The Morehouse Parish Sheriff's Office's medical benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). 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 15 years of service. See the section below entitled "Expected Time of Commencement of Benefits" for the assumption as to time of actual retirement.

Employees covered are as follows:

Status	Single	Employee + Dependent Coverage
Active (=105)	97	8
Retired (=38)	36	2
Total (=143)	133	10

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contribution Rates

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy

Until the fiscal year ending 2011, when GASB Statement No. 45 was implemented, the Morehouse Parish Sheriff's Office recognized the cost of providing post-employment medical benefits (the Morehouse Parish Sheriff's Office's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis.

Effective with the fiscal year beginning July 1, 2019, the Morehouse Parish Sheriff's Office implemented Government Accounting Standards Board Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions* (GASB 75). During the year ended June 30, 2024, the Morehouse Parish Sheriff's Office's portion of health care funding cost for retired employees totaled \$238,478

Net Post-Employment Benefit Obligation (Asset)

The table below shows the Morehouse Parish Sheriff's Office's Net Other Post-Employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2024:

Beginning net OPEB obligation (Asset) 7/1/2023	<u>\$ 11,428,035</u>
Changes for the year:	
Service Cost	470,406
Interest	414,808
Differences between expected and actual experience	705,404
Changes in assumptions	(1,232,117)
Benefit payments and net transfers	<u>(361,409)</u>
Net Changes	<u>(2,908)</u>
Ending net OPEB obligation (Asset) 6/30/2024	<u><u>\$ 11,425,127</u></u>

The following table shows the Morehouse Parish Sheriff's Office's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical	June 30, 2024	\$ 429,235	41.69%	\$ 11,425,127

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Funded Status and Funding Progress

In the fiscal year ending June 30, 2024, the Morehouse Parish Sheriff's Office made no contributions to its post-employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2024, the most recent actuarial valuation, the Total OPEB Liability (TOL) was \$11,425,127, which is defined as that portion, as determined by a particular actuarial cost method (the Morehouse Parish Sheriff's Office uses the Individual Entry Age Normal Cost Method – Level Percentage of Projected Salary), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in the fiscal year ended June 30, 2024, the entire OPEB liability of \$11,425,127 was unfunded.

Total OPEB Liability (TOL)	\$ 11,425,127
Actuarial value of plan assets	-
NET OPEB Liability (NOL)	<u>11,425,127</u>
Funded ratio (Act. Val. Assets/TOL)	0%
Covered payroll (active plan members)	<u>\$ 3,847,332</u>
NOL as a percentage of covered payroll	296.96%

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Morehouse Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Morehouse Parish Sheriff's Office and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Morehouse Parish Sheriff's Office and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The actuarial method used was the Individual Entry Age Normal Cost Method – Level Percentage of Projected Salary. The employer portion of the cost for retiree medical care in each future year is determined as a level percent of pay that would fully fund the benefit promise by the time of retirement.

Turnover Rate

The employee retirement rates were developed from the assumption used in the LSPRF 2017 actuarial report. The rates for each age are below:

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

	Percent
<u>Age</u>	<u>Turnover</u>
55	14.0%
65	21.0%
70	100.0%

Post-employment Benefit Plan Eligibility Requirements

Historically, employees have retired after age 55 and 18 years of service. We have therefore assumed that employees retire three years after the earlier of that historical retirement age or age 60 and 15 years of service. The three years is to accommodate the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement. 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 15 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate)

GASB Statement 75 states that the investment return assumption should be the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan’s fiduciary net position is projected and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Since the plan is not currently being funded and not expected to be funded in the near future, we have performed this valuation using a 4.21% annual investment return assumption (1.71% real rate of return plus 2.50% inflation).

Health Care Cost Trend Rate

For the year ended June 30, 2024, the annual medical trend rate was 4.50%.

Mortality Rate

The mortality assumption was calculated using the RPH-2014 Total table with Project MP-2021.

Salary Scale

The salary assumption was calculated at 3.50%.

Sensitivity of the Trend and Discount Rate

Healthcare Trend		
1% Decrease	Total OPEB Liability	1% Increase
\$ 9,711,752	\$ 11,425,127	\$ 13,622,775

Discount Rate		
1% Decrease	Total OPEB Liability	1% Increase
\$ 13,334,992	\$ 11,425,127	\$ 9,888,479

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical benefits for the retiree only (not dependents). The medical rates provided are "blended" rates for active and retired before Medicare eligibility.

NOTE 9 – CHANGES IN AGENCY FUNDS' BALANCES

A summary of changes for the year ended June 30, 2024, in agency funds' balances due to taxing bodies and others is as follows:

	<u>July 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2024</u>
Tax Collector Fund	\$ -	\$ 17,401,228	\$(17,397,641)	\$ 3,587
Criminal Fund	275,253	767,042	(748,492)	293,803
Civil Fund	25,725	544,171	(536,920)	32,976
License Fund	215	92,931	(92,135)	1,011
Inmate Commissary Fund	121,009	1,093,520	(1,103,572)	110,957
Inmate Work Release Fund	325,267	1,119,152	(1,206,355)	238,064
Totals	<u>\$ 747,469</u>	<u>\$ 21,018,044</u>	<u>\$(21,085,115)</u>	<u>\$ 680,398</u>

NOTE 10 – TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2024, the tax collector has no cash and cash equivalents (book balances).

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 11 – AD VALOREM TAXES COLLECTED

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2024, by taxing body, as follows:

Louisiana Department of Agriculture & Forestry	\$ 12,941
Tensas Basin Levee District	329,673
Louisiana Tax Commission	19,365
Morehouse Parish:	
Assessor	610,229
Police Jury	2,559,981
School Board	7,221,733
Sheriff	951,944
Library	558,800
Bastrop Fire District No. 2	1,188,445
Ward 2 Cemetery	-
Ward 2 Fire District	115,708
Ward 5 Fire District	58,909
Ward 6 Fire District	156,945
Ward 8 Fire District	60,273
Ward 10 Fire District	40,913
Bonne Idee Drainage District	24,559
Hospital Service District	2,194,964
Total	<u>\$16,105,382</u>

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 12 – AD VALOREM TAXES UNCOLLECTED AND UNSETTLED

The tax collector has not collected and disbursed the following taxes for the year ended June 30, 2024, by taxing body, as follows:

Louisiana Department of Agriculture & Forestry	\$ -
Tensas Basin Levee District	3,078
Morehouse Parish:	
Assessor	3,637
Police Jury	15,983
School Board	44,977
Sheriff	5,674
Library	3,438
Bastrop Fire District No. 2	12,397
Ward 2 Cemetery	-
Ward 2 Fire District	2,926
Ward 5 Fire District	7
Ward 6 Fire District	212
Ward 8 Fire District	109
Ward 10 Fire District	47
Bonne Idee Drainage District	24
Hospital Service District	13,510
Total	<u>\$ 106,020</u>

The majority of uncollected taxes consist of gas and oil wells and moveable property. The Sheriff has hired an outside firm to collect outstanding taxes. There are also several assessments that have been determined to be “no property found”, but the assessor has not removed those assessments from the tax roll.

NOTE 13 – ON-BEHALF PAYMENTS

Certain employees receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues of \$509,133, under this arrangement, are presented as state government grants on the statement of revenues and expenditures. The related expenditures are included in public safety expenditures in the General Fund.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 14 - RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; liability; and injuries to employees or others. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering automobile liability and medical payments, workers' compensation, general liability, and surety bond coverage on the secretary/treasurer and other employees handling money. There were no significant reductions in the Sheriff's insurance coverage during the fiscal year. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amounts.

NOTE 15 - LITIGATION

As of June 30, 2024, the Sheriff was involved in several lawsuits. In the opinion of legal counsel, resolution of these lawsuits will not result in any liability in excess of insurance coverage.

NOTE 16 – EXPENDITURES OF SHERIFF’S OFFICE PAID BY POLICE JURY

The Sheriff's offices were constructed by the Morehouse Parish Police Jury. Certain costs of maintaining and operating the offices, as required by Louisiana Revised Statute 33:4715, are paid by the Morehouse Parish Police Jury.

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 27, 2024, the date on which the financial statements were available to be issued.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 18 – NEW ACCOUNTING STANDARDS

GASB Statement No. 101, *Compensated Absences* was issued June 2022. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority. Concentrations and constraints may limit a government’s ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 103, *Financial Reporting Model Improvements* was issued April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 104, *Disclosure of Certain Capital Assets*, was issued September 2024. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Required Supplemental Information

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>BUDGETED AMOUNTS</u>		ACTUAL	VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 910,000	\$ 980,000	\$ 979,621	\$ (379)
Sales and use	3,950,000	4,700,000	4,914,766	214,766
Intergovernmental funds:				
Federal government grants	107,500	219,500	209,546	(9,954)
State government grants	534,200	515,600	532,361	16,761
State government shared revenue	97,300	97,600	100,568	2,968
Local government grants	545,200	543,200	605,481	62,281
Charges for services	116,550	147,140	146,636	(504)
Fines and forfeitures	134,600	145,760	181,341	35,581
Investment earnings	31,300	69,920	66,409	(3,511)
Contributions and donations from private sources	-	225	10,725	10,500
Other revenues	3,800	1,000	1,372	372
Total revenues	<u>6,430,450</u>	<u>7,419,945</u>	<u>7,748,826</u>	<u>328,881</u>
Expenditures:				
Current:				
Public safety				
Personal services	4,365,750	4,752,750	4,637,388	(115,362)
Operating services	686,800	737,820	706,946	(30,874)
Materials and supplies	497,600	392,850	350,969	(41,881)
Travel and other charges	39,400	165,400	92,391	(73,009)
Capital outlay	173,000	334,000	336,796	2,796
Total expenditures	<u>5,762,550</u>	<u>6,382,820</u>	<u>6,124,490</u>	<u>(258,330)</u>
Excess (deficiency) of revenues over expenditures	<u>667,900</u>	<u>1,037,125</u>	<u>1,624,336</u>	<u>587,211</u>
Other sources (uses):				
Proceeds from the sale of assets	6,600	5,300	5,217	(83)
Proceeds from the issuance of debt	-	53,000	-	(53,000)
Proceeds from insurance	26,000	29,500	32,195	2,695
Operating transfers out	(96,000)	(307,500)	-	307,500
Total other sources (uses)	<u>(63,400)</u>	<u>(219,700)</u>	<u>37,412</u>	<u>257,112</u>
Net change in fund balances	604,500	817,425	1,661,748	844,323
Fund balances at beginning of year, restated	<u>3,404,016</u>	<u>3,404,016</u>	<u>3,404,017</u>	<u>1</u>
Fund balances at end of year	<u>\$4,008,516</u>	<u>\$ 4,221,441</u>	<u>\$ 5,065,765</u>	<u>\$ 844,324</u>

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - CORRECTIONS FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental funds:				
Charges for services	\$ 4,221,820	\$4,027,450	\$3,998,398	\$ (29,052)
Investment earnings	5,500	4,800	4,822	22
Total revenues	<u>4,227,320</u>	<u>4,032,250</u>	<u>4,003,220</u>	<u>(29,030)</u>
Expenditures:				
Current:				
Public safety				
Personal services	3,025,500	2,973,000	3,053,947	80,947
Operating services	601,320	577,320	568,503	(8,817)
Materials and supplies	1,023,720	1,001,230	985,511	(15,719)
Travel and other charges	9,400	17,200	11,051	(6,149)
Capital outlay	242,000	114,000	77,380	(36,620)
Total expenditures	<u>4,901,940</u>	<u>4,682,750</u>	<u>4,696,392</u>	<u>13,642</u>
Excess (deficiency) of revenues over expenditures	<u>(674,620)</u>	<u>(650,500)</u>	<u>(693,172)</u>	<u>(42,672)</u>
Other sources (uses):				
Operating transfers in	<u>96,000</u>	<u>307,500</u>	<u>-</u>	<u>(307,500)</u>
Net change in fund balances	(578,620)	(343,000)	(693,172)	(350,172)
Fund balances at beginning of year, restated	343,343	343,343	343,343	-
Fund balances at end of year	<u>\$ (235,277)</u>	<u>\$ 343</u>	<u>\$ (349,829)</u>	<u>\$ (350,172)</u>

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

Proposed budgets for the General Fund and the Corrections Fund are prepared on the modified accrual basis of accounting and published in the official journal prior to the public hearing. Public hearings are held at the Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the Sheriff and amended during the year, as necessary. Budgets are established and controlled by the Sheriff at the object level of expenditure. All annual appropriations lapse at fiscal year-end.

Encumbrance accounting is not used. However, formal budgetary integration is employed as a management control device during the fiscal year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**EMPLOYEE HEALTH CARE PLAN
SCHEDULE OF FUNDING PROGRESS
AS OF JUNE 30, 2024**

Measurement Date	Fiduciary Net Position	Total OPEB Liability -		Funded Ratio	Covered Payroll	Net OPEB Liability as a Percentage of Covered Payroll
		Entry Age Normal Percentage of Salary	Net OPEB Liability			
June 30, 2024	\$ -	\$ 11,425,127	\$ 11,425,127	0%	\$ 3,847,332	296.96%
June 30, 2023	\$ -	\$ 11,428,035	\$ 11,428,035	0%	\$ 3,493,786	327.10%
June 30, 2022	\$ -	\$ 10,862,586	\$ 10,862,586	0%	\$ 3,493,786	310.91%
June 30, 2021	\$ -	\$ 13,022,218	\$ 13,022,218	0%	\$ 3,489,167	373.22%
June 30, 2020	\$ -	\$ 12,277,069	\$ 12,277,069	0%	\$ 3,489,167	351.86%

GASB 45

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2010	\$ -	\$ 2,526,967	\$ 2,526,967	0%	\$ 4,280,151	59.04%

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations. Additional information will be added after each of the next valuations. Subsequent to that, information will be presented for the latest three valuations.

**MOREHOUSE PARISH SHERIFF
BASTROP , LOUISIANA**

**SCHEDULE OF SHERIFF'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
SHERIFFS' PENSION AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Employer's portion of the net pension liability	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.547659%	\$ 4,812,703	\$ 4,141,275	116.00%	83.94%
2022	0.538870%	\$ 4,379,853	\$ 3,997,371	110.00%	83.90%
2021	0.553330%	\$ (274,201)	\$ 4,032,264	-7.00%	101.04%
2020	0.565280%	\$ 3,912,355	\$ 4,175,099	94.00%	88.91%
2019	0.595740%	\$ 2,818,010	\$ 4,175,099	67.50%	88.91%
2018	0.632430%	\$ 2,425,147	\$ 4,340,896	55.87%	90.41%
2017	0.663612%	\$ 2,873,622	\$ 4,596,485	62.52%	88.49%
2016	0.645115%	\$ 4,094,477	\$ 4,408,367	92.88%	82.10%
2015	0.682274%	\$ 3,041,251	\$ 4,523,571	67.23%	86.61%
2014	0.738638%	\$ 2,925,011	\$ 4,758,613	61.47%	87.34%

**MOREHOUSE PARISH SHERIFF
BASTROP , LOUISIANA**

**SCHEDULE OF SHERIFF'S CONTRIBUTIONS
SHERIFFS' PENSION AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered employee payroll
2024	\$ 517,495	\$ 517,495	\$ -	\$ 4,499,956	11.50%
2023	\$ 507,306	\$ 507,306	\$ -	\$ 4,141,275	12.25%
2022	\$ 489,678	\$ 489,678	\$ -	\$ 3,997,381	12.25%
2021	\$ 493,951	\$ 493,951	\$ -	\$ 4,032,264	12.25%
2020	\$ 511,448	\$ 511,448	\$ -	\$ 4,175,099	12.25%
2019	\$ 512,112	\$ 512,112	\$ -	\$ 4,179,185	12.25%
2018	\$ 554,987	\$ 554,987	\$ -	\$ 4,340,896	12.79%
2017	\$ 609,037	\$ 609,037	\$ -	\$ 4,596,485	13.25%
2016	\$ 605,590	\$ 605,590	\$ -	\$ 4,408,367	13.74%
2015	\$ 644,609	\$ 644,609	\$ -	\$ 4,523,571	14.25%
2014	\$ 660,968	\$ 660,968	\$ -	\$ 4,758,613	13.89%

Other Supplemental Schedules

**MOREHOUSE PARISH SHERIFF
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

FIDUCIARY FUND TYPES - AGENCY FUNDS

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 taxes and fees to the appropriate taxing bodies.

Criminal Fund

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

Civil Fund

The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments and payments of these collections to recipients in accordance with applicable laws.

License Fund

The License Fund accounts for the collection and distribution of parish occupational, beer, liquor, and private club licenses.

Inmate Commissary Fund

The Inmate Commissary Fund accounts for personal funds of inmates that are received and expended while they are incarcerated.

Inmate Work Release Fund

The Inmate Work Release Fund accounts for funds of inmates that are earned under the work release program.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**FIDUCIARY FUND TYPE - AGENCY FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Civil Fund	Criminal Fund	Tax Collector Fund	License Fund	Inmate Work Release Fund	Inmate Commissary Fund	Total
ASSETS							
Cash and cash equivalents	\$ 32,976	\$ 293,803	\$ -	\$ 1,011	\$ 238,064	\$110,957	\$676,811
Due from other funds	-	-	3,587	-	-	-	3,587
Total assets	<u>\$ 32,976</u>	<u>\$ 293,803</u>	<u>\$ 3,587</u>	<u>\$ 1,011</u>	<u>\$ 238,064</u>	<u>\$110,957</u>	<u>\$680,398</u>
LIABILITIES							
Due to other funds	\$ 2,684	\$ -	\$ -	\$ -	\$ 33,040	\$ 4,028	\$ 39,752
Due to taxing bodies and others	30,292	293,803	3,587	1,011	205,024	106,929	640,646
Total liabilities	<u>\$ 32,976</u>	<u>\$ 293,803</u>	<u>\$ 3,587</u>	<u>\$ 1,011</u>	<u>\$ 238,064</u>	<u>\$110,957</u>	<u>\$680,398</u>

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**FIDUCIARY FUND TYPES - AGENCY FUNDS
COMBINING SCHEDULE OF CHANGES IN UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2024**

	Civil Fund Fund	Criminal Fund	Tax Collector Fund	License Fund	Inmate Work Release Fund	Inmate Commissary Fund	Total
Unsettled balances due to taxing bodies and others - beginning	\$ 25,725	\$275,253	\$ -	\$ 215	\$ 325,267	\$ 121,009	\$ 747,469
Additions:							
Deposits:							
Ad valorem taxes:							
Current year	-	-	16,502,714	-	-	-	16,502,714
Prior year	-	-	33,726	-	-	-	33,726
Appearance bonds, fines, etc.	-	362,951	-	-	-	-	362,951
Beer, liquor, and bingo licenses	-	-	-	6,350	-	-	6,350
Garnishments	101,253	-	-	-	-	-	101,253
Interest:							
Bank account	-	-	27,808	-	-	-	27,808
Delinquent taxes	-	-	33,006	-	-	-	33,006
Occupational licenses	-	-	-	85,783	-	-	85,783
Sales	396,543	-	-	-	-	-	396,543
State revenue sharing	-	-	499,654	-	-	-	499,654
Tax notices	-	-	86,340	-	-	-	86,340
Other additions	46,375	404,091	217,980	798	1,119,152	1,093,520	2,881,916
Total additions	544,171	767,042	17,401,228	92,931	1,119,152	1,093,520	21,018,044

	Civil Fund Fund	Criminal Fund	Tax Collector Fund	License Fund	Inmate Work Release Fund	Inmate Commissary Fund	Total
Reductions:							
Deposits settled to:							
Bastrop Fire District No. 2	-	-	1,202,962	-	-	-	1,202,962
Bonne Idee Drainage District	-	-	24,564	-	-	-	24,564
Hospital Service District	-	-	2,202,053	-	-	-	2,202,053
Louisiana Tax Commission	-	-	19,454	-	-	-	19,454
Morehouse Parish:							
Clerk of Court	31,547	10,833	-	-	-	-	42,380
Assessor	-	-	648,993	-	-	-	648,993
Police Jury	-	32,358	2,703,546	73,708	-	-	2,809,612
School Board	-	-	7,400,282	-	-	-	7,400,282
Sheriff	124,771	56,057	1,077,232	18,427	-	-	1,276,487
Library	-	-	584,963	-	-	-	584,963
Pension Funds	-	-	461,301	-	-	-	461,301
Tensas Basin Levee District	-	-	339,974	-	-	-	339,974
Ward 2 Fire District No. 1	-	-	115,776	-	-	-	115,776
Ward 5 Fire District No. 1	-	-	59,026	-	-	-	59,026
Ward 6 Fire District No. 1	-	-	157,930	-	-	-	157,930
Ward 8 Fire District No. 1	-	-	60,299	-	-	-	60,299
Ward 10 Fire District No. 1	-	-	41,227	-	-	-	41,227
Other settlements	380,602	649,244	298,059	-	1,206,355	1,103,572	3,637,832
Total reductions	536,920	748,492	17,397,641	92,135	1,206,355	1,103,572	21,085,115
Unsettled balances due to taxing bodies and others - ending							
	\$ 32,976	\$293,803	\$ 3,587	\$ 1,011	\$ 238,064	\$ 110,957	\$ 680,398



Mike Tubbs

Sheriff and Ex-officio Tax Collector
Morehouse Parish

Phone (318) 281-4141 • Fax (318) 281-9136
351 South Franklin • Bastrop, LA 71220-0351
www.mpsso.net

James Mardis
Chief Criminal Deputy

John Davis
Chief Civil Deputy

STATE OF LOUISIANA, PARISH OF MOREHOUSE

AFFIDAVIT

MIKE TUBBS, SHERIFF OF MOREHOUSE PARISH

BEFORE ME, the undersigned authority, personally came and appeared, MIKE TUBBS, SHERIFF OF MOREHOUSE PARISH, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$0 is the amount of cash on hand in the tax collector account on June 30, 2024.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year 2023, 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.

Mike Tubbs
Signature
SHERIFF OF MOREHOUSE PARISH

SWORN to and subscribed before me, Notary, this 30th day of December 2024, in my office in the Bastrop, Louisiana.
(City/Town)

Patrice D. Smith (Signature)

Patrice D. Smith (Print), # 69227
Notary Public

at death (Commission)

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2024**

Agency Head: Mike Tubbs, Sheriff

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 178,010
Benefits - insurance	8,794
Benefits - retirement	22,618
Benefits - other (expense)	19,922
Excess Life	319
Travel	1,908
	<u>\$ 231,571</u>

**Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

Identifying Information	
Entity Name:	Morehouse Parish Sheriff
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	3098
Date that reporting period ended:	6/30/2024

First Six	
Month	Second Six
Period	Month Period
Ended	Ended
12/31/23	06/30/24

Cash Basis Presentation

1. Beginning Balance of Amounts Collected (i.e. cash on hand)	269,985	289,646
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2. Add: Collections

<i>Civil Fees (including refundable amounts such as garnishments or advance deposits)</i>	20,834	24,441
<i>Bond Fees - 2% Commissions</i>	35,240	63,858
<i>Sheriffs Sale</i>	216,766	179,777
<i>Asset Forfeitures</i>	8,148	19,794
<i>Criminal Court Costs/Fees</i>	55,229	55,668
<i>Criminal Fines - Traffic Tickets Fines and Costs</i>	77,499	75,457
<i>Interest Earnings on Collected Balances</i>	2,845	3,012
<i>Other - Garnishments</i>	54,500	46,753
<i>Other - Drug Forfeitures</i>	-	10,119
<i>Other - Criminal Cash Bonds</i>	15,165	16,450
Subtotal Collections	486,226	495,329

3. Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)

<i>Morehouse Parish Police Jury - Criminal Court Costs/Fees</i>	21,647	10,711
<i>Morehouse Parish District Attorney, Criminal Court Costs/Fees</i>	24,545	30,912
<i>Morehouse Parish Clerk of Court, Criminal Court Costs/Fees</i>	5,628	5,205
<i>Morehouse Parish Clerk of Court, Other Prosecution Fees</i>	12,291	19,256
<i>Ouachita Parihs Clerk of Court, Other Prooesecution Fees</i>	128	305
<i>North Louisiana Crime Lab, Criminal Court Costs/Fees</i>	7,061	8,659
<i>4th JDC Indigent Defender Board, Criminal Court Costs/Fees</i>	26,338	30,051
<i>Crime Stoppers of Morehouse, Inc.</i>	780	711
<i>4th JDC Judicial Expense Fund</i>	51,248	70,153
<i>4th JDC District Attorney (Asset Forfeitures)</i>	2,098	10,119
<i>Louisiana Dept. of Public Safety - Act 331</i>	85	136
<i>State of Louisiana - Act 250</i>	518	851
<i>State of Louisiana - Act 562</i>	743	697
<i>Louisiana Beautiful Fund</i>	233	769
<i>Louisiana Wildlife and Fisheries Littering Fines</i>	269	2,337
<i>Louisiana Supreme Court Act 405</i>	171	141
<i>Louisiana Judicial College, Criminal Court Costs/Fees</i>	1,168	2,234
<i>Louisiana Spinal and Head Injury Trust Fund</i>	790	670

**Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

Identifying Information	
Entity Name:	Morehouse Parish Sheriff
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	3098
Date that reporting period ended:	6/30/2024

First Six Month Period Ended 12/31/23	Second Six Month Period Ended 06/30/24
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Cash Basis Presentation

<i>Louisiana Sheriffs' Pension and Relief Fund</i>	150	400
<i>NLDEB - Restitution</i>	700	4
4. Less: Amounts Retained by Collecting Agency		
<i>Asset Forfeitures</i>	6,050	9,675
<i>Service/Collection Fees</i>	59,791	64,980
<i>Criminal Court Costs/Fees</i>	24,725	31,332
<i>Interest Earnings</i>	2,845	3,183
5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
<i>Bond Fee Refunds</i>	2,424	13,200
<i>Other Disbursements to Individuals (Witnesses and Appraisers)</i>	3,450	4,200
<i>Other Disbursements to Individuals (Settlement to Litigants)</i>	208,838	157,482
<i>Payments to 3rd Party Collection/Processing Agencies</i>	1,851	4,348
6. Subtotal Disbursements/Retainage	466,565	482,721
Total: Ending Balance of Amounts Collected but not Disbursed/Retained		
7. (i.e. cash on hand)	289,646	302,254
Ending Balance of "Partial Payments" Collected but not Disbursed (<i>only applies if collecting agency does not disburse partial payments until fully collected</i>) - This balance is included in the Ending Balance of Amounts		
8. Collected but not Disbursed/Retained above.	-	-

9. Other Information:

Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information

Entity Name	Morehouse Parish Sheriff	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	3098	
Date that reporting period ended (mm/dd/yyyy)	6/30/2024	

First Six Month Period Ended 12/31/23	Second Six Month Period Ended 06/30/24
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Cash Basis Presentation

10. Receipts From: (Must include one agency name and one collection type -

<i>Morehouse Parish Sheriff, Service and Collection Fees</i>	59,791	64,980
<i>Morehouse Parish Sheriff, Criminal Fines - Other</i>	24,725	31,332
<i>Morehouse Parish Sheriff, Asset Forfeitures</i>	6,050	9,675
<i>4th District Attorney - Drug Asset Forfeitures</i>	2,098	10,119
Subtotal Receipts	92,664	116,106

Ending Balance of Amounts Assessed but Not Received (only applies to those
11. agencies that assess on behalf of themselves, such as courts)

-	-
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Other Reports



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

Honorable Mike Tubbs
Morehouse Parish Sheriff
Bastrop, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the fiduciary fund type – agency funds of Morehouse Parish Sheriff, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Morehouse Parish Sheriff's basic financial statements and have issued our report thereon dated December 27, 2024.

Report on Internal Control over Financial Reporting

over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Morehouse Parish Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of Morehouse Parish Sheriff's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Morehouse Parish 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 financial statements. 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*.

The Sheriff's Response to Findings

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

Purpose of This Report

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

BOSCH & STATHAM, LLC
Bosch & Statham
Ruston, Louisiana
December 27, 2024

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the fiduciary fund type – agency funds of Morehouse Parish Sheriff.
2. One material weakness is reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of Morehouse Parish Sheriff, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Current Year

2024-001 Internal Control Deficiencies

Year First Reported

2017

Type

Material Weakness

Criteria

Standards for Internal Control in the Federal Government (The Green Book) and the COSO report include the following five internal control components: control environment, risk assessment, control activities, information and communication, and monitoring. These standards are generally followed by state and local governments.

Proper internal control includes adequate segregation of the duties of authorization, custody, and recording.

Each significant accounting area should be addressed with unique internal control activities.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

Condition

The Sheriff's internal control system appears to be deficient in risk assessment, information and communication, control activities, and monitoring.

We noted the following specific issues:

1. Bank reconciliations:
 - a. We noted checks issued from the Tax Collector Fund, with a date of June 30, 2024, were actually issued in July. It appears the checks to distribute taxes are dated as of the last day of the month regardless of when they are issued. This practice understates cash and liabilities.
 - b. Bank reconciliations include stale reconciling items.
2. Payroll
 - a. Approval of leave was not documented for 2 out of 9 where leave was taken during the test period.
3. General journal:
 - a. Approval of journal entries was not documented for 3 out of 7 entries tested.
 - b. There is no policy regarding what must be documented to support journal entries.
4. Policies and procedures
 - a. Management has not yet implemented adequate written policies and procedures for the following processes:
 - i. Debt Service
 - ii. Ethics

Cause

In some instances, the internal control system is not adequately designed. In others, it seems that activities were not properly carried out.

Effect

The System may not effectively reduce the risk of material misstatement or fraud to an acceptable level.

Recommendation

We recommend that management evaluate all the elements of internal control and design and implement changes to internal control where necessary. These changes should be incorporated into the Sheriff's written policies and procedures. Employees should be properly trained.

Risk Assessment

We recommend that the Sheriff and the Chief Civil Deputy meet formally at least annually to evaluate the internal control system and consider whether risks of misstatement due to fraud or error are reduced to an acceptable level. The assessment should be documented.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

Recommendation (continued)

Control Activities

We recommend that the control activities be revised as necessary to address the conditions identified above and any deficiencies that management identifies during risk assessment.

Information and Communication

We recommend that information and communication policies and procedures be revised as necessary to address the deficiencies and risks identified above and any deficiencies that management identifies during risk assessment.

Monitoring

The Sheriff has retained a consultant. We recommend that the Chief Civil Deputy or the contracted consultant review at least a sample of the following documents monthly:

1. Budget to Actual reports by fund
2. Balance Sheets by fund
3. Bank statements
4. Bank reconciliations
5. General ledgers
6. General journals
7. Deposit details
8. Check registers
9. Receipt books to deposits
10. Documentation that each agency fund is properly balanced
11. Grant files and reports

Management's Response

See management's corrective action plan.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023**

2023-001 Internal Control Deficiencies

Current Status

This finding is repeated as 2024-001.



Mike Tubbs

Sheriff and Ex-officio Tax Collector
Morehouse Parish

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351 South Franklin • Bastrop, LA 71220-0351
www.mpsso.net

James Mardis
Chief Criminal Deputy

John Davis
Chief Civil Deputy

December 27, 2024

Bosch & Statham, LLC
Post Office Box 2377
Ruston, LA 71273-2377

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period **July 1, 2023, through June 30, 2024**, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (**should be customized by entity, as applicable**).

Yes No
2. For the fiscal period **July 1, 2023, through June 30, 2024**, the C/C areas were administered in accordance with the best practices criteria presented in the SAUPs.

Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No
4. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes No
5. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No
6. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between **June 30, 2024**, and **December 27, 2024**.

Yes No

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes No

17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
- Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
- Yes No
20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
- Yes No
21. We are not aware of any material misstatements in the C/C areas identified in the SAUPs.
- Yes No
22. We have disclosed to you [*list other matters as you have deemed appropriate*].
- Yes No
23. We have responded fully to all inquiries made by you during the engagement.
- Yes No
24. We have disclosed to you all known events that have occurred subsequent to ***June 30, 2024***, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.
- Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature 

Title Chief Civil Deputy

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Honorable Mike Tubbs, Morehouse Parish Sheriff
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Morehouse Parish Sheriff (the Sheriff) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023, through June 30, 2024. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and related exceptions obtained are described in the attachment to this report:

1) Written Policies and Procedures

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

We obtained and inspected the entity's policies and procedures.

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

- ix) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The policy does not include element (4).

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

The policy does not address elements (3) and (4).

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- xi) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The policy addresses the required elements.

Exceptions: None

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

The policy addresses the required elements.

Exceptions: None

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

Not applicable.

- i) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- ii) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

We obtained a listing of the client's bank accounts. We randomly selected one month from the fiscal year. We obtained and inspected the corresponding bank statements and reconciliations.

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

We noted no exceptions.

- ii) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

We noted 4 reconciliations included no evidence of review. We noted 1 included evidence of review; however, it was reviewed after one month had passed.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

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

We noted 3 exceptions.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

4) Collections

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

We obtained a listing from management and management's representation the listing is complete. We selected both deposit locations listed.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

For each site, we obtained a listing of collection locations and management's representation that listing is complete. We obtained and inspected the policies and procedures. We noted the following.

- i) Employees responsible for cash collections do not share cash drawers/registers.

We noted no exceptions.

- ii) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

We noted no exceptions.

- iii) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

We noted no exceptions.

- iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

We noted no exceptions.

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

We obtained a copy of the bonds/insurance policy and noted no exceptions.

Exceptions: None.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

We selected two deposit dates for each account selected under procedure #3A and obtained the related documentation. We noted for one account there were no deposits for the year except for monthly interest. Of the remaining eight deposits, we observed the following.

- i) Observe that receipts are sequentially pre-numbered.
We noted no exceptions.
- ii) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
We noted no exceptions.
- iii) Trace the deposit slip total to the actual deposit per the bank statement.
We noted no exceptions.
- iv) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
We noted no exceptions.
- v) Trace the actual deposit per the bank statement to the general ledger.
We noted no exceptions.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. There was one location on the list.

Exceptions: None

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

We obtained a listing of those employees involved with non-payroll purchasing and payment functions. We noted no written policies and procedures relating to employee job duties. We inquired of employees about their job duties.

- i) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

We observed that at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Exceptions: None.

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

We noted at least two employees are involved in processing and approving payments to vendors.

Exceptions: None.

- iii) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The policy states only the Chief Civil Deputy is authorized to add or modify vendors.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- iv) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

We noted the employee responsible for signing checks is not authorized to mail the checks.

Exceptions: None.

- v) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

The Chief Civil Deputy is the only employee authorized to approve electronic disbursements.

Exceptions: None.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

We obtained the population and management's representation that the population is complete. We randomly selected five disbursements and obtained available supporting documentation.

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

We noted no exceptions.

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

We noted no exceptions.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

We noted three exceptions due to no approval by the required number of authorized signers per the Sheriff's policy.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

We obtained a listing of all active cards from management.

Exceptions: None

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

We randomly selected 5 cards from the listing management provided. We randomly selected one monthly statement for each card selected, and we obtained the supporting documentation. We noted a statement was not sent for one card due to no activity.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

- i) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

We noted no exceptions.

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

None noted.

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)¹⁷. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Using the statements selected above, we selected all transactions excluding fuel cards totaling 13 charges on four cards. We obtained the supporting documentation.

1. *Noted no exceptions.*
2. *We noted one exception.*
3. *Not applicable.*

Not applicable.

Exceptions: None.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

We created a listing of travel reimbursements from the general ledger. We obtained management's representation that the general ledger is complete. We randomly selected 5 reimbursements from the listing and obtained the related expense reimbursement documentation.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

- i) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
We noted the reimbursement amounts were no more than the approved GSA rates.
Exceptions: None.
- ii) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
We noted no exceptions.
- iii) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and.
We noted no exceptions.
- iv) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
We noted no exceptions.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
We obtained a listing from management and selected five contracts for testing.
 - i) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
None of the contracts were subject to the bid law.
Exceptions: None
 - ii) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
The sheriff is the only elected official. We noted no such requirement.
Exceptions: None.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

- iii) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

Noted no exceptions.

- iv) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Noted no exceptions.

9) Payroll and Personnel

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

We obtained a listing from management and management's representation the listing is complete. We selected five employees/officials and obtained the personnel files. We agreed the paid salaries to authorized noting no exceptions.

Exceptions: None

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We selected one pay period during the fiscal period and obtained the relevant documentation.

- i) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

We noted no exceptions.

- ii) Observe whether supervisors approved the attendance and leave of the selected employees or officials;

We noted no exceptions.

- iii) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

We noted no exceptions.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

We noted no exceptions.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

We obtained a listing from management and selected two employees. We obtained the relevant documentation. Upon inspection, it was noted one employee held part-time status and did not earn leave. The payment shown was for hours worked. For the second tested, the employee had no leave accrued due to a recent change in employment status from part-time to full-time. The payment shown was hours worked.

Exceptions: None

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

We obtained management's representation the amounts were paid timely and accurately.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

Using those selected under procedure #9A, we obtained the required documentation.

- i) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

We noted no exceptions.

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

Management asserted no changes to the policy were made during the fiscal period.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170

We observed the agency has appointed an ethics designee.

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Management listed none.

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

Management listed none.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Management listed no misappropriations.

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

We observed the required notice posted on the entity's premises and website.

Exceptions: None

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

We performed the procedure and discussed the results with management.

- i) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
 - ii) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267 . The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Using those selected under procedure #9A, we obtained the required documentation. We noted no exceptions.

Exceptions: None

**MOREHOUSE PARISH SHERIFF
BASTROP, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

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

We observed the policy posted on the entity's website.

Exceptions: None.

- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i) Number and percentage of public servants in the agency who have completed the training requirements;
 - ii) Number of sexual harassment complaints received by the agency;
 - iii) Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v) Amount of time it took to resolve each complaint.

We obtained the required report and noted no exceptions.

Exceptions: None

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

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

December 27, 2024



Mike Tubbs

Sheriff and Ex-officio Tax Collector
Morehouse Parish

Phone (318) 281-4141 • Fax (318) 281-9136
351 South Franklin • Bastrop, LA 71220-0351
www.mpsso.net

James Mardis
Chief Criminal Deputy

John Davis
Chief Civil Deputy

Management's Corrective Action Plan

Schedule of Findings

As of and for the year ended June 30, 2024

B. Findings – Financial Statements Audit

Current Year

2024-001 Internal Control Deficiencies

We will take the auditor's comments under advisement and when feasible to implement take necessary action.

Independent Accountant's Report on Applying Agreed-Upon Procedures

We will take the AUP comments under advisement and take appropriate action.

Signature: 
Title: Sheriff

Signature: 
Title: Chief Civil Deputy