

ST. JAMES PARISH SHERIFF

Convent, Louisiana

Financial Report

Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

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The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff
Convent, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of St. James Parish Sheriff (hereinafter "Sheriff"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Sheriff, as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer pension contributions on pages 38 through 41, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Sheriff 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and is also not a required part of the basic financial statements. The other supplementary information on pages 45 through 52 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative and combining statements and the schedule of expenditures of federal awards on pages 45, 46, 50, 51, and 58 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 comparative and combining statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative amounts on the comparative and combining statements were derived from the St. James Parish Sheriff's 2019 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, were fairly presented in all material respects in relation to the basic financial statements as a whole.

The budgetary comparison schedules and the affidavit on pages 47, 48, and 52 have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2021, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
January 25, 2021

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 811,017
Investments	33,118,863
Due from other governmental agencies	2,332,361
Prepaid expenses	96,159
Capital assets, net	<u>3,155,797</u>
TOTAL ASSETS	<u>39,514,197</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	2,093,221
Deferred outflows related to pension	<u>2,140,475</u>
	<u>4,233,696</u>
LIABILITIES	
Accounts, salaries, and other payables	285,499
Long-term liabilities:	
Postemployment benefit obligation payable	14,642,024
Net pension liability	<u>3,988,065</u>
TOTAL LIABILITIES	<u>18,915,588</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	1,088,372
Deferred inflows related to pension	<u>1,074,210</u>
	<u>2,162,582</u>
NET POSITION	
Net investment in capital assets	3,155,797
Unrestricted	<u>19,513,926</u>
TOTAL NET POSITION	<u>\$ 22,669,723</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Capital	Net (Expense)
		Charges for	Operating	Grants and	Revenue
		Services	Grants and	Grants and	And Changes in
			Contributions	Contributions	Net Position
Governmental activities:					
Public safety:					
Police	<u>\$ 15,226,111</u>	<u>\$ 778,490</u>	<u>\$ 2,235,851</u>	<u>\$ 5,975</u>	<u>\$ (12,205,795)</u>
	Taxes:				
	Property, levied for general purposes				13,956,193
	State sources:				
	Commissions				331,239
	Revenue sharing				141,792
	Supplemental pay				340,948
	Interest and investment earnings				494,625
	Non-employer pension contributions				357,142
	Miscellaneous				<u>502,250</u>
	Total general revenues				<u>16,124,189</u>
	Change in net position				3,918,394
	Net position - July 1, 2019				<u>18,751,329</u>
	Net position - June 30, 2020				<u>\$ 22,669,723</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS DESCRIPTION

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Balance Sheet - Governmental Fund
June 30, 2020

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 811,017
Investments	33,118,863
Receivables -	
Due from other governmental agencies	2,332,361
Prepaid expenses	<u>96,159</u>
Total assets	<u>\$ 36,358,400</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 72,298
Accrued liabilities	<u>213,201</u>
Total liabilities	285,499
Fund balance:	
Unassigned	<u>36,072,901</u>
Total liabilities and fund balance	<u>\$ 36,358,400</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balance for governmental fund at June 30, 2020	\$ 36,072,901
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land	\$ 195,770	
Buildings and improvements other than buildings, net of \$603,076 accumulated depreciation	1,213,665	
Vehicles, net of \$2,051,801 accumulated depreciation	752,844	
Office furniture, net of \$1,379,199 accumulated depreciation	259,731	
Equipment, net of \$2,013,132 accumulated depreciation	<u>733,787</u>	3,155,797

The deferred outflows of contributions are not available resources, and therefore, are not reported in the fund financial statements. The deferred outflows of contributions are related to the following:

Net OPEB obligation	2,093,221	
Net pension liability	<u>2,140,475</u>	4,233,696

Long-term liabilities at June 30, 2020:

Net OPEB obligation	(14,642,024)	
Net pension liability	<u>(3,988,065)</u>	(18,630,089)

The deferred inflows of resources are not available, and therefore, are not reported in the fund financial statements. The deferred inflows of resources are related to the following:

Net OPEB obligation	(1,088,372)	
Net pension liability	<u>(1,074,210)</u>	<u>(2,162,582)</u>

Net position at June 30, 2020	<u>\$ 22,669,723</u>
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The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
For the Year Ended June 30, 2020

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 13,956,193
Intergovernmental revenues -	
Federal grants:	
Coronavirus relief fund	2,114,388
Other	102,312
State grants - state revenue sharing (net)	141,792
State supplemental pay	340,948
Other state grants	25,126
Video poker commissions	331,239
Fees, charges, and commissions for services -	
Civil and criminal fees	199,356
Feeding, keeping, and transporting prisoners	204,048
Special duty detail	375,086
Interest income	494,625
Miscellaneous	<u>502,250</u>
Total revenues	<u>18,787,363</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	8,163,878
Operating services	1,733,783
Operations and maintenance	2,315,372
Travel and other charges	10,014
Capital outlay	<u>493,396</u>
Total expenditures	<u>12,716,443</u>
Net change in fund balance	6,070,920
Fund balance, beginning	<u>30,001,981</u>
Fund balance, ending	<u><u>\$ 36,072,901</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2020

Total net changes in fund balances for the year ended June 30, 2020 per statement of revenues, expenditures and changes in fund balances	\$ 6,070,920
The change in net position reported for governmental activities in the statement of activities is 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 which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 493,396
Depreciation expense for the year ended June 30, 2020	<u>(723,480)</u> (230,084)
Differences between the amounts reported as expenses in the statement of activities and those reported as expenditures in the fund financial statements	
Postemployment benefits	(1,999,921)
Pension expense	<u>(279,663)</u> (2,279,584)
Non-employer pension contributions to the Sheriffs' Pension and Relief Fund	<u>357,142</u>
Total changes in net position for the year ended June 30, 2020 per statement of activities	<u><u>\$ 3,918,394</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Assets and Liabilities - Fiduciary Funds
June 30, 2020

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 10,087
Interest-bearing deposits	420,839
Ad valorem taxes receivable	<u>51,289</u>
Total assets	<u>\$ 482,215</u>
LIABILITIES	
Liabilities:	
Due to other taxing bodies	\$ 479,251
Due to inmates	<u>2,964</u>
Total liabilities	<u>\$ 482,215</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court. The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

The accounting and reporting policies of the St. James Parish Sheriff (Sheriff) conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, *Audits of State and Local Governmental Units*.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Presentation

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

The statement of activities presents a comparison between direct expenses and program revenues for the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

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

The funds of the Sheriff are described below:

Governmental Fund –

General Fund – This fund is the primary operating fund of the Sheriff and it accounts for the operations of the Sheriff's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and internal policy.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resource measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental fund are accounted for using a current financial resources measurement focus. 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 balance 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 is then reconciled, through adjustment, to a government-wide view of the Sheriff's operations.

The amounts reflected in the governmental 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 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for 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 fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

D. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

E. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

F. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). 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 \$2,500 or more for capitalizing capital assets.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Improvements other than buildings	10-15 years
Vehicles	5 years
Equipment and furniture	5-10 years

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

G. Compensated Absences

Employees of the Sheriff's office earn from 60 to 144 hours of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. Employees with 0-6 years of service to the Sheriff earn from 48 to 96 hours of sick leave per year and may be accrued up to a maximum of 1,000 hours. Sick leave is not compensable if an employee leaves the service of the Sheriff. The Sheriff has no leave benefits required to be reported in accordance with generally accepted accounting principles.

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

I. Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net 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 legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “net investment in capital assets” or “restricted.”

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff’s adopted policy, only the Sheriff may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

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

J. 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.

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the Sheriff has cash and interest-bearing deposits (book balances) as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Noninterest-bearing deposits	\$ 84,668	\$ 10,087	\$ 94,755
Interest-bearing deposits	726,349	420,839	1,147,189
	\$ 811,017	\$ 430,926	\$ 1,241,944

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Custodial credit risk is the risk that in the event of a bank failure of a depository financial institution, the Government's deposits may not be recovered or the collateral securities that are in the possession of the outside party will not be recovered. 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 similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Sheriff or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at June 30, 2020, are secured as follows:

Bank balances	\$ <u>1,329,611</u>
Federal deposit insurance	\$ 250,000
Pledged securities	<u>1,079,611</u>
Total	\$ <u>1,329,611</u>

Deposits in the amount of \$1,079,611 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities pledging institution's trust department or agent, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Investments

As of June 30, 2020, the Sheriff had the following investments and maturities:

Investment Type	% of Portfolio	Fair Value	Less Than One Year	One - Five Years
Mutual Funds:				
Fixed Income	2%	\$ 585,888	\$ 585,888	\$ -
State Investment Pool (LAMP)	<u>98%</u>	<u>32,532,975</u>	<u>32,532,975</u>	<u>-</u>
Total	<u>100%</u>	<u>\$33,118,863</u>	<u>\$33,118,863</u>	<u>\$ -</u>

Interest Rate Risk – The Sheriff does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Sheriff participates in LAMP which is designed to be a highly liquid to give its participants immediate access to their accounts. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to no more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM of LAMP's total investments is 100 days as of June 30, 2020.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Credit Risk/Concentration of Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Sheriff's limits investments to government securities that are direct and indirect obligations of the United States Government. At June 30, 2020, fixed income money market investments with a fair value of \$585,888 were rated A-1 by Standard & Poor's.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Sheriff will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Sheriff requires all investments to be in the Sheriff's name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the Sheriff. Accordingly, the Sheriff had no custodial credit risk related to its investments at June 30, 2020.

The Sheriff participates in Louisiana Asset Management Pool (LAMP). LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company. LAMP is intended to improve administrative efficiency and increase yield of participating public entities. LAMP's portfolio securities are valued at market value even though amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs registered money market funds. Because LAMP is not a money market fund, it has no obligation to conform to this rule.

The investment in LAMP is not exposed to custodial credit risk and is not categorized in the three categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP has a fund rating of AAAM issued by Standard & Poor's. The fair value of investments is determined on a weekly basis by LAMP and the fair value of the Sheriff's investment in LAMP is the same as the value of the pool shares.

LAMP's financial statements can be obtained by contacting LAMP at 650 Poydras Street, Suite 200 New Orleans Louisiana 70130 or by contacting the administrative office at 800-249-5267, and the financial statements are also available on the Louisiana Legislative Auditors website at <https://lla.la.gov/>.

(4) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. James Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions. Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2020, law enforcement taxes were levied at the rate of 20.96 mills on property with net assessed valuations (after homestead exemption) totaling \$656,930,551.

Total law enforcement taxes levied during 2020 were \$13,769,290.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Due From Other Governmental Agencies

Amounts due from other governmental agencies at June 30, 2020 consist of the following:

Federal Grant funds	\$ 2,114,389
State of Louisiana:	
Federal pass-through grant funds	80,319
Video poker	68,180
Other	69,473
	\$ 2,332,361

(6) Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
Capital assets not being depreciated:				
Land	\$ 195,770	\$ -	\$ -	\$ 195,770
Other capital assets:				
Buildings	1,694,290	-	-	1,694,290
Improvements other than buildings	122,451	-	-	122,451
Vehicles	2,375,800	428,845	-	2,804,645
Office furniture	1,627,359	11,571	-	1,638,930
Equipment	2,693,939	52,980	-	2,746,919
Totals	8,709,609	493,396	-	9,203,005
Less: accumulated depreciation				
Buildings	462,142	42,357	-	504,499
Improvements other than buildings	89,354	9,223	-	98,577
Vehicles	1,735,152	316,649	-	2,051,801
Office furniture	1,182,910	196,289	-	1,379,199
Equipment	1,854,170	158,962	-	2,013,132
Total accumulated depreciation	5,323,728	723,480	-	6,047,208
Capital assets, net	\$ 3,385,881	\$(230,084)	\$ -	\$ 3,155,797

Depreciation expense in the amount of \$723,480 was charged to public safety.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Accounts, Salaries, and Other Payables

Accounts, salaries, and other payables at June 30, 2020 consist of the following:

Accounts payable	\$ 72,298
Salaries	155,804
Payroll withholdings	<u>57,397</u>
	<u>\$ 285,499</u>

(8) Post Retirement Health Care and Life Insurance Benefits

Plan description – The St. James Parish Sheriff’s Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The St. James Parish Sheriff’s OPEB Plan (the OPEB Plan) is an agent multiple-employer defined benefit plan administered by the Louisiana Sheriff’s Association Office of Group Benefits. The plan does not issue a publicly available financial report. LRS 42:8201-883 assigns the authority to establish and amend benefit provision of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay the related benefits.

Benefits Provided – Medical and life insurance 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 are as follows: age 55 and 12 years of service; or, 30 years of service at any age. Retirees must have at least 15 years of service to be eligible for retiree medical benefits. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid by the Sheriff. The Sheriff recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you go basis.

Life insurance coverage is continued to retirees by election. The employer pays 100% of the cost of life insurance after retirement for the retiree. However, rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB 74/75 requires the use of "unblended" rates, we have used the valuation mortality table to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Employees covered by benefit terms – At July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	41
Active employees	<u>103</u>
Total	<u>144</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

In accordance with GASB Statement No. 75, the Sheriff recognizes the cost of postemployment healthcare and life insurance benefits in the year when the employee services are received and recognizing the liability for OPEB obligations, known as the net OPEB liability, on the statement of net position. Changes in the net OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

Total OPEB Liability

The Sheriff's total OPEB liability of \$14,642,024 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and other inputs – The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases, including inflation	4.00%
Discount rate, net of OPEB plan investment expense, including inflation	2.21%
Healthcare cost trend rates, flat annually	5.50%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates. There was no change in the discount rate from the prior measurement date.

The RP-2000 Table without projection with 50%/50% unisex blend has been used.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

Changes in the Total OPEB Liability

Balance at June 30, 2019	<u>\$ 12,346,770</u>
Changes for the year:	
Service cost	245,865
Interest	426,448
Differences between expected and actual experience	(494,085)
Changes in assumptions	2,442,091
Benefit payments and net transfers	<u>(325,065)</u>
Net changes	<u>2,295,254</u>
Balance at June 30, 2020	<u>\$ 14,642,024</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1.0% Decrease 1.21%	Current Discount Rate 2.21%	1.0% Increase 3.21%
Total OPEB liability	<u>\$ 17,413,333</u>	<u>\$ 14,642,024</u>	<u>\$ 12,479,380</u>

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

	1.0% Decrease 4.5%	Current Discount Rate 5.5%	1.0% Increase 6.5%
Total OPEB liability	<u>\$ 13,105,945</u>	<u>\$ 14,642,024</u>	<u>\$ 16,565,491</u>

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

For the year ended June 30, 2020, the Sheriff recognized OPEB expense of \$899,416. At June 30, 2019, the Sheriff reported deferred inflows and outflows of resources related to OPEB for changes in assumptions in the amounts of \$(1,088,372) and \$2,093,221, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2021	\$ 227,103
2022	227,103
2023	227,103
2024	227,103
2025	227,103
Thereafter	<u>(130,666)</u>
	<u>\$1,004,849</u>

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

At June 30, 2020, the Sheriff did not have any amounts owed to the OPEB plan.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Pension Plan

Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a publicly available financial report that may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the accrual basis of accounting. Employer contributions are recognized in the period in which the employee is compensated for services performed. Investments are reported at fair value.

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

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

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

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

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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

For a member whose first employment making him eligible for membership in the system began on or after July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months in 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.

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

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

Deferred Retirement Benefits: The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement. In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

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

Contributions: Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2019 was 10.25%. Contributions are deducted from the member's salary and remitted monthly. Gross employer contributions are determined by actuarial valuation and are subject to change each year in accordance with R.S. 11:103. For the year ended June 30, 2019, the employers contributed 12.25% of the members' salaries with an additional 0.0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$357,142 and included in pension expense for the year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2020, the Sheriff reported a liability of \$3,988,065 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Sheriff's proportion was 0.843102%, which was an increase of 0.010240% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$1,026,735 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$3,096.

Contributions – Proportionate Share: Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense (benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the Fund and contributions reported by the participating employer.

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	6 years
Investment Rate of Return	7.10% net of investment expense
Discount Rate	7.10%
Projected Salary Increases	5.5% (2.50% inflation, 3.00% merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants, and beneficiaries RP-2000 Disabled Lives Mortality Table
Cost of Living Adjustments	The present value of future retirement benefits is based on currently being paid by the Fund and includes previous 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.

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.10%, which was a decrease of 0.15% from the prior year valuation. 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.

The long-term expected rate of return on pension plan investments was determined using a building block method 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 rate of return by the target asset allocation percentage and adding expected inflation. Estimates of arithmetic real rates of return for each major asset class based on the Fund's target allocation as of June 30, 2019 were as follows:

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	62%	7.1%	4.4%
Fixed Income	23	3.0	0.7
Alternative Investments	15	4.6	0.6
Totals	<u>100%</u>		5.7%
Inflation			<u>2.4</u>
Expected Arithmetic Nominal Return			<u>8.1%</u>

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.10%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.10%) or one percentage-point higher (8.10%) than the current rate:

	1.0% Decrease 6.10%	Current Discount Rate 7.10%	1.0% Increase 8.10%
Employer's proportionate share of the net pension liability	\$8,339,655	\$3,988,065	\$ 325,806

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 764,033
Change of assumptions	1,218,809	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	34,177	310,177
Net differences between projected and actual earnings on plan investments	143,512	-
Contributions subsequent to the measurement date	743,977	-
Total	\$2,140,475	\$1,074,210

Deferred outflows of resources of \$743,977 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2021	\$ 148,246
2022	(194,186)
2023	107,526
2024	177,247
2025	83,455
	\$ 322,288

At June 30, 2020, the Sheriff recorded an accrued liability to the pension plan for the contractually required contribution for the month of June 2020 in the amount of \$32,947.

(10) Deferred Compensation Plan

Certain employees of the Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures related to the Plan are included in the separately issued audit report of the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(11) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2020:

Description	Total	Level 1	Level 2	Level 3
Mutual Funds:				
Fixed Income	\$ 585,888	\$ -	\$ 585,888	\$ -

(12) Changes in Agency Fund Balances

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

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund
Balances, June 30, 2019	\$ 16,010	\$ 21,414	\$ 241,416	\$ 7,962
Additions	453,226	73,226,862	423,563	138,296
Reductions	(452,126)	(73,079,695)	(378,542)	(136,171)
Balances, June 30, 2020	\$ 17,110	\$ 168,581	\$ 286,437	\$ 10,087

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(13) Ex-officio Tax Collector

The amount of cash on hand at year end was \$117,292. The unsettled balances of the Tax Collector Fund at June 30, 2020 consist of the following:

Collection of current and prior year taxes, not settled	<u>\$ 117,292</u>
---	-------------------

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

Willy J. Martin, Jr. Sheriff	\$ 13,775,708
St. James Parish School Board	29,115,597
St. James Parish Government	23,680,901
St. James Parish Assessor	1,485,350
Pontchartrain Levee Board	1,457,851
Lafourche Levee Board	947,400
Gramercy Recreation	240,587
Louisiana Tax Commission	29,483
Department of Agriculture and Forestry	<u>3,939</u>
Total	<u>\$ 70,736,816</u>

For the fiscal year ended June 30, 2020, the taxes assessed and uncollected as a result of Louisiana Tax Commission decreases and movable properties were as follows:

	<u>Immovables</u>	<u>Movables</u>
Willy J. Martin, Jr. Sheriff	\$ 4,503	\$ 5,534
St. James Parish School Board	9,335	10,791
St. James Parish Government	8,303	9,684
St. James Parish Assessor	529	553
Pontchartrain Levee Board	678	553
Lafourche Levee Board	228	277
Gramercy Recreation	43	277
Department of Agriculture	<u>1</u>	<u>-</u>
Total	<u>\$ 23,620</u>	<u>\$ 27,669</u>

(14) Litigation and Claims

At June 30, 2020, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(15) Risk Management

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, group health and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(16) Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the Sheriff's financial statements to record the exempt amounts. At June 30, 2020, the Sheriff's ad valorem revenues were reduced by \$9,174,748 for industrial exemptions issued related to these abatements.

(17) Expenditures of the Sheriff's Office Paid by the Parish Council

The Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the parish courthouse, as required by statute, is paid by the St. James Parish Council. These expenditures are not included in the accompanying financial statements.

(18) Compensation, Benefits, and Other Payments to Agency Head

In accordance with Act 706 of the 2014 Regular Legislative Session – LA R.S. 24:513(A)(3), the schedule of compensation, benefits, and other payments to Willy J. Martin, Jr., Sheriff, for the year ended June 30, 2020 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 165,870
Benefits - insurance	11,795
Benefits - retirement	43,945
Benefits - deferred compensation	11,282
Car allowance - fuel	1,784
Conference travel	743
Cellular phone	1,428

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(19) Uncertainties Arising During and After Financial Statement Date

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the Sheriff's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 12,860,000	\$ 13,949,921	\$ 13,956,193	\$ 6,272
Intergovernmental revenues -				
Federal grants:				
Coronavirus relief fund	-	2,114,388	2,114,388	-
Other	25,500	73,663	102,312	28,649
State grants - state revenue sharing (net)	142,000	141,791	141,792	1
State supplemental pay	333,000	336,000	340,948	4,948
Other state grants	-	-	25,126	25,126
Video poker commissions	290,000	380,000	331,239	(48,761)
Fees charges and commissions for services -				
Civil and criminal fees	262,250	191,916	199,356	7,440
Feeding, keeping, and transporting prisoners	199,000	205,500	204,048	(1,452)
Special duty detail	400,000	499,500	375,086	(124,414)
Interest income	554,000	436,800	494,625	57,825
Miscellaneous	119,400	248,562	502,250	253,688
Total revenues	<u>15,185,150</u>	<u>18,578,041</u>	<u>18,787,363</u>	<u>209,322</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	7,926,250	8,056,200	8,163,878	(107,678)
Operating services	1,769,000	1,740,600	1,733,783	6,817
Operations and maintenance	1,676,761	2,245,660	2,315,372	(69,712)
Travel and other charges	30,000	10,500	10,014	486
Capital outlay	505,500	471,300	493,396	(22,096)
Debt service	325	-	-	-
Total expenditures	<u>11,907,836</u>	<u>12,524,260</u>	<u>12,716,443</u>	<u>(192,183)</u>
Excess of revenues over expenditures	3,277,314	6,053,781	6,070,920	17,139
Fund balance, beginning	<u>30,001,981</u>	<u>30,001,981</u>	<u>30,001,981</u>	<u>-</u>
Fund balance, ending	<u>\$ 33,279,295</u>	<u>\$ 36,055,762</u>	<u>\$ 36,072,901</u>	<u>\$ 17,139</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2020

Total OPEB Liability	2020	2019	2018
Service cost	\$ 245,865	\$ 214,492	\$ 213,305
Interest	426,448	441,079	429,408
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(494,085)	(760,196)	(7,544)
Changes of assumptions	2,442,091	-	-
Benefit payments and net transfers	(325,065)	(301,711)	(301,711)
Net changes	2,295,254	(406,336)	333,458
Total OPEB liability - beginning	12,346,770	12,753,106	12,419,648
Total OPEB liability - ending	\$ 14,642,024	\$ 12,346,770	\$ 12,753,106
Covered-employee payroll	\$ 5,267,483	\$ 4,970,422	\$ 4,970,422
Total OPEB liability as a percentage of covered-employee payroll	277.97%	248.40%	256.58%

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2020*

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.843102%	\$ 3,988,065	\$ 5,891,469	67.7%	88.91%
2019	0.832862%	3,193,733	5,732,359	55.7%	90.41%
2018	0.862821%	3,736,251	5,979,563	62.5%	88.49%
2017	0.918062%	5,826,843	6,269,923	92.9%	82.10%
2016	0.940468%	4,192,152	6,133,722	68.3%	86.61%
2015	0.957927%	3,793,396	6,199,127	61.2%	87.34%

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

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Employer Pension Contributions
For the Year Ended June 30, 2020

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2020	\$ 743,977	\$ 743,977	\$ -	\$ 6,073,283	12.25%
2019	721,705	721,705	-	5,891,469	12.25%
2018	730,876	730,876	-	5,732,361	12.75%
2017	792,292	792,292	-	5,979,562	13.25%
2016	862,114	862,114	-	6,269,920	13.75%
2015	874,055	874,055	-	6,133,719	14.25%

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Required Supplementary Information
For the Year Ended June 30, 2020

(1) Budgets and Budgetary Accounting

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

- a. A proposed budget for the General fund is prepared no later than fifteen days prior to the beginning of each fiscal year.
- b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- e. All budgetary appropriations lapse at the end of each fiscal year.
- f. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

(2) Excess Expenditures Over Appropriations

For the year ended June 30, 2020, the General Fund had actual expenditures over appropriations as follows:

	Final Budget	Actual	Excess
Public Safety:			
Personal services and related benefits	\$8,056,200	\$8,163,878	\$ (107,678)
Operations and maintenance	2,245,660	2,315,372	(69,712)
Capital Outlay	471,300	493,396	(22,096)

(3) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2020

(4) Other Postemployment Benefits

- a. Benefit Changes – There were no changes of benefit terms.
- b. Changes of Assumptions – The valuation as of July 1, 2019 was based on a discount rate of 2.21%, which was the value of the 20 year municipal bond index as of the measurement date at the end of the measurement period and a discount rate of 3.50% was used as of the measurement date of the preceding period.

OTHER SUPPLEMENTARY INFORMATION

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Comparative Statement of Net Position
June 30, 2020 and 2019

	Governmental Activities	
	2020	2019
ASSETS		
Cash and interest-bearing deposits	\$ 811,017	\$ 452,638
Investments	33,118,863	29,426,604
Receivables, net	-	15,955
Due from other governmental agencies	2,332,361	197,862
Prepaid expenses	96,159	192,318
Capital assets, net	3,155,797	3,385,881
TOTAL ASSETS	39,514,197	33,671,258
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to OPEB	2,093,221	709,516
Deferred outflows related to pension	2,140,475	1,685,444
	4,233,696	2,394,960
LIABILITIES		
Accounts, salaries, and other payables	285,499	283,396
Long-term liabilities:		
Postemployment benefit obligation payable	14,642,024	12,346,770
Net pension liability	3,988,065	3,193,733
TOTAL LIABILITIES	18,915,588	15,823,899
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	1,088,372	-
Deferred inflows related to pension	1,074,210	1,490,990
	2,162,582	1,490,990
NET POSITION		
Invested in capital assets	3,155,797	3,385,881
Unrestricted	19,513,926	15,365,448
TOTAL NET POSITION	\$ 22,669,723	\$ 18,751,329

ST. JAMES PARISH SHERIFF
 Convent, Louisiana
 General Fund

Comparative Balance Sheet
 June 30, 2020 and 2019

	2020	2019
ASSETS		
Cash and interest-bearing deposits	\$ 811,017	\$ 452,638
Investments	33,118,863	29,426,604
Receivables -		
Due from other governmental agencies	2,332,361	197,862
Interest	-	15,955
Prepaid expenses	96,159	192,318
Total assets	\$ 36,358,400	\$ 30,285,377
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 72,298	\$ 111,331
Accrued liabilities	213,201	172,065
Total liabilities	285,499	283,396
Fund balances:		
Unassigned	36,072,901	30,001,981
Total liabilities and fund balances	\$ 36,358,400	\$ 30,285,377

ST. JAMES PARISH SHERIFF
Convent, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2020
With Comparative Actual Balances for Year Ended June 30, 2019

	2020			Variance with Final Budget Positive (Negative)	2019 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 12,860,000	\$ 13,949,921	\$ 13,956,193	\$ 6,272	\$ 12,740,857
Intergovernmental revenues -					
Federal grants:					
Coronavirus relief fund	-	2,114,388	2,114,388	-	-
Other	25,500	73,663	102,312	28,649	458,280
State grants - state revenue sharing (net)	142,000	141,791	141,792	1	142,802
State supplemental pay	333,000	336,000	340,948	4,948	332,485
Other state grants	-	-	25,126	25,126	22,227
Video poker commissions	290,000	380,000	331,239	(48,761)	328,397
Fees charges and commissions for services -					
Civil and criminal fees	262,250	191,916	199,356	7,440	257,508
Feeding, keeping and transporting prisoners	199,000	205,500	204,048	(1,452)	196,504
Special duty detail	400,000	499,500	375,086	(124,414)	377,999
Interest income	554,000	436,800	494,625	57,825	689,677
Miscellaneous	119,400	248,562	502,250	253,688	318,514
Total revenues	<u>15,185,150</u>	<u>18,578,041</u>	<u>18,787,363</u>	<u>209,322</u>	<u>15,865,250</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	7,926,250	8,056,200	8,163,878	(107,678)	8,027,491
Operating services	1,769,000	1,740,600	1,733,783	6,817	1,553,757
Operations and maintenance	1,676,761	2,245,660	2,315,372	(69,712)	1,917,690
Travel and other charges	30,000	10,500	10,014	486	33,270
Capital outlay	505,500	471,300	493,396	(22,096)	781,388
Debt service	325	-	-	-	-
Total expenditures	<u>11,907,836</u>	<u>12,524,260</u>	<u>12,716,443</u>	<u>(192,183)</u>	<u>12,313,596</u>
Excess of revenues over expenditures	3,277,314	6,053,781	6,070,920	17,139	3,551,654
Fund balance, beginning	<u>30,001,981</u>	<u>30,001,981</u>	<u>30,001,981</u>	<u>-</u>	<u>26,450,327</u>
Fund balance, ending	<u>\$ 33,279,295</u>	<u>\$ 36,055,762</u>	<u>\$ 36,072,901</u>	<u>\$ 17,139</u>	<u>\$ 30,001,981</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2020
With Comparative Actual Balances for Year Ended June 30, 2019

	2020		Actual	Variance with Final Budget Positive (Negative)	2019 Actual
	Budget				
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	\$ 160,000	\$ 165,000	\$ 165,868	\$ (868)	\$ 160,337
Deputies salaries	5,775,000	6,187,000	6,296,183	(109,183)	6,198,476
Other salaries	15,000	5,000	4,329	671	11,493
Pension and payroll taxes	<u>1,976,250</u>	<u>1,699,200</u>	<u>1,697,498</u>	<u>1,702</u>	<u>1,657,185</u>
Total personal services and related benefits	<u>7,926,250</u>	<u>8,056,200</u>	<u>8,163,878</u>	<u>(107,678)</u>	<u>8,027,491</u>
Operating services:					
Hospitalization insurance	1,426,000	1,305,000	1,301,713	3,287	1,219,079
Dental and vision insurance	38,000	45,000	42,343	2,657	37,647
Auto insurance	155,000	189,100	188,137	963	159,929
Other liability insurance	<u>150,000</u>	<u>201,500</u>	<u>201,590</u>	<u>(90)</u>	<u>137,102</u>
Total operating services	<u>1,769,000</u>	<u>1,740,600</u>	<u>1,733,783</u>	<u>6,817</u>	<u>1,553,757</u>
Operations and maintenance:					
Auto fuel and oil	240,000	194,000	202,402	(8,402)	218,283
Auto maintenance	136,000	146,830	148,370	(1,540)	169,763
Deputy uniforms, supplies, etc.	241,000	242,100	238,511	3,589	210,297
Office supplies and expenses	300,000	711,000	708,948	2,052	331,453
Telephone	145,000	188,000	187,522	478	152,735
Maintenance contracts and rentals	141,000	273,500	357,448	(83,948)	313,512
Prisoner feeding and maintenance	165,000	160,000	157,472	2,528	178,802
Professional fees	149,500	129,600	125,020	4,580	157,985
Criminal investigation expense	56,000	85,269	79,232	6,037	70,142
Other	<u>103,261</u>	<u>115,361</u>	<u>110,447</u>	<u>4,914</u>	<u>114,718</u>
Total operations and maintenance	<u>1,676,761</u>	<u>2,245,660</u>	<u>2,315,372</u>	<u>(69,712)</u>	<u>1,917,690</u>
Travel and other charges	<u>30,000</u>	<u>10,500</u>	<u>10,014</u>	<u>486</u>	<u>33,270</u>
Capital outlay:					
Vehicles	375,000	420,000	428,845	(8,845)	125,027
Equipment	95,500	45,300	58,752	(13,452)	643,119
Computers	<u>35,000</u>	<u>6,000</u>	<u>5,799</u>	<u>201</u>	<u>13,242</u>
Total capital outlay	<u>505,500</u>	<u>471,300</u>	<u>493,396</u>	<u>(22,096)</u>	<u>781,388</u>
Debt service:					
Interest	<u>325</u>	-	-	-	-
Total expenditures	<u>\$ 11,907,836</u>	<u>\$ 12,524,260</u>	<u>\$ 12,716,443</u>	<u>\$ (192,183)</u>	<u>\$ 12,313,596</u>

AGENCY FUNDS

Sheriff's Fund -

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

Tax Collector Fund -

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

Bond Fund -

To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

Prison Inmate Fund -

To account for the receipts and disbursements made to the individual prison inmate accounts.

ST. JAMES PARISH SHERIFF
Convent, Louisiana
Agency Funds

Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund	Total	
					2020	2019
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ 10,087	\$ 10,087	\$ 7,962
Interest-bearing deposits	17,110	117,292	286,437	-	420,839	276,656
Ad valorem taxes receivable	-	51,289	-	-	51,289	2,184
Total assets	\$ 17,110	\$ 168,581	\$ 286,437	\$ 10,087	\$ 482,215	\$ 286,802
LIABILITIES						
Due to taxing bodies and others	\$ 17,110	\$ 168,581	\$ 286,437	\$ 7,123	\$ 479,251	\$ 285,503
Due to inmates	-	-	-	2,964	2,964	1,299
Total liabilities	\$ 17,110	\$ 168,581	\$ 286,437	\$ 10,087	\$ 482,215	\$ 286,802

ST. JAMES PARISH SHERIFF
Convent, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2020
With Comparative Totals for Year Ended June 30, 2019

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund	Total	
					2020	2019
Balances, beginning of year	<u>\$ 16,010</u>	<u>\$ 21,414</u>	<u>\$ 241,416</u>	<u>\$ 7,962</u>	<u>\$ 286,802</u>	<u>\$ 259,346</u>
Additions:						
Deposits -						
Sheriff's sales	208,063	-	-	-	208,063	179,954
Bonds	-	-	115,653	-	115,653	132,257
Fines and costs	-	-	307,910	-	307,910	453,004
Garnishments	245,163	-	-	-	245,163	176,645
Inmates	-	-	-	138,041	138,041	95,455
Commissions	-	-	-	228	228	749
Taxes, fees, etc. paid to tax collector	-	73,226,862	-	-	73,226,862	66,729,641
Interest	-	-	-	27	27	23
Total additions	<u>453,226</u>	<u>73,226,862</u>	<u>423,563</u>	<u>138,296</u>	<u>74,241,947</u>	<u>67,767,728</u>
Total	<u>469,236</u>	<u>73,248,276</u>	<u>664,979</u>	<u>146,258</u>	<u>74,528,749</u>	<u>68,027,074</u>
Reductions:						
Taxes, fees, etc. distributed to taxing bodies and others	-	73,079,695	-	-	73,079,695	66,753,970
Deposits settled to -						
Sheriff's General Fund	87,763	-	-	-	87,763	124,111
Clerk of court	11,553	-	-	-	11,553	24,795
Inmates	-	-	-	136,171	136,171	91,645
Litigants	260,098	-	-	-	260,098	174,922
Attorneys, appraisers, etc.	1,350	-	-	-	1,350	5,550
Settlements	-	-	378,542	-	378,542	534,965
Other reductions	91,362	-	-	-	91,362	30,314
Total reductions	<u>452,126</u>	<u>73,079,695</u>	<u>378,542</u>	<u>136,171</u>	<u>74,046,534</u>	<u>67,740,272</u>
Balances, end of year	<u>\$ 17,110</u>	<u>\$ 168,581</u>	<u>\$ 286,437</u>	<u>\$ 10,087</u>	<u>\$ 482,215</u>	<u>\$ 286,802</u>

STATE OF LOUISIANA, PARISH OF ST. JAMES

AFFIDAVIT

Willy Martin, Jr., Sheriff of St. James

BEFORE ME, the undersigned authority, personally came and appeared, Willy Martin, Jr., the Sheriff of St. James Parish, State of Louisiana, who after being duly sworn, deposed and said:

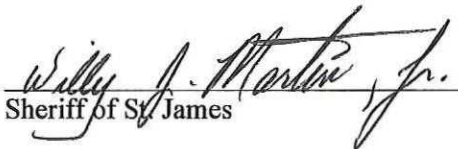
The following information is true and correct:

\$117,292 is the amount of cash on hand in the tax collector account on June 30, 2020;


He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2019, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.


Sheriff of St. James

SWORN to and subscribed before me, Notary, this 24th day of September 2020, in my office in Convent, Louisiana.



SHANE M. LEBLANC (Print), # CO047
Notary Public
MY COMMISSION EXPIRES JUNE 30, 2024 (Commission)

INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

WWW.KCSRCPAS.COM

* A Professional Accounting Corporation

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff
Convent, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of St. James Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated January 25, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 to be a material weakness.

Compliance and Other Matters

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

Sheriff's Response to Findings

The Sheriff's response to the finding identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
January 25, 2021

KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA* - retired 2020

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

WWW.KCSRCPAS.COM

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff
Convent, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the St. James Parish Sheriff (the Sheriff) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Sheriff's major federal program for the year ended June 30, 2020. The Sheriff's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Sheriff's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Sheriff's compliance.

Opinion on the Major Program

In our opinion, the Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Sheriff is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered the Sheriff's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC

Certified Public Accountants

Lafayette, Louisiana
January 25, 2021

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Pass- Through Entity Identifying Number	Expenditures
Pass-through Programs:			
United States Department of Treasury - Passed through the State of Louisiana Division of Administration: COVID 19 - Coronavirus Relief Fund	21.019	N/A	\$ 2,114,388
United States Department of Homeland Security - Passed-through the South Central Planning & Development Commission: Homeland Security Grant Program	97.067	EMW-2019-SS- 00014-S01	7,018
Passed-through the Governor's Office of Homeland Security and Emergency Preparedness: COVID 19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	80,320
United States Department of Justice - Passed through the Louisiana Commission on Law Enforcement - Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	<u>9,000</u>
TOTAL FEDERAL AWARDS			<u>\$ 2,210,726</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the St. James Parish Sheriff (Sheriff) under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Sheriff, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Sheriff.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Sheriff's basic financial statements for the year ended June 30, 2020. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The Sheriff has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

(4) Federal Equitable Sharing Funds

The Sheriff received equitable sharing funds from the Department of Justice in the amount \$5,974. The Sheriff did not expend these funds during the current year; therefore, these amounts are not reflected in the Schedule of Expenditures of Federal Awards.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of the Sheriff.
2. There were no significant deficiencies in internal control disclosed during the audit of the financial statements. There was one material weakness reported.
3. There were no instances of noncompliance material to the financial statements of the Sheriff, which would be required to be reported in accordance with *Government Auditing Standards*, disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over the major federal program were disclosed during the audit.
5. The auditor's report on compliance for the major federal award program for the Sheriff expresses an unmodified opinion on the major federal program.
6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The following program is considered to be a major program: Coronavirus Relief Fund (21.019).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The Sheriff was determined to not be a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Compliance Findings –

There were no compliance findings noted for the year ended June 30, 2020.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

Internal Control Findings –

2020-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The Sheriff did not have adequate segregation of functions within the accounting system.

CRITERIA: The Sheriff should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the Sheriff, there are a small number of available employees.

EFFECT: The Sheriff has employees that are performing more than one related function.

RECOMMENDATION: The Sheriff should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

Compliance Findings –

There were no compliance findings reported for the year ended June 30, 2020.

Internal Control Findings –

There were no internal control findings reported for the year ended June 30, 2020.

Willy J. Martin, Jr.

Sheriff
Ex-Officio Tax Collector



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5800 Highway 44
Convent, LA 70723

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Civil: 225-562-2378
Criminal: 225-562-2374

Fax
Civil: 225-562-2380
Criminal: 225-562-2218

January 25, 2021

U.S. Department of Treasury

St. James Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2020.

Audit conducted by:
Kolder, Slaven & Company, LLC
183 S. Beadle Road
Lafayette, Louisiana 70508

Audit Period: July 1, 2019 – June 30, 2020

The findings from the June 30, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

Material Weakness-

Internal Control:

2020-001 Inadequate Segregation of Accounting Functions

Finding: The Sheriff should have a control policy according to which no person should be given responsibility for more than one related function.

Corrective Action Plan: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

The finding noted above will be evaluated and corrective action will be taken by June 30, 2021 if considered necessary. Should any federal or state pass-through grant agencies have questions regarding this plan, please contact Willy J. Martin, Jr., Sheriff, at 225-562-2378.

Sincerely,


Willy J. Martin, Jr.
Sheriff

Willy J. Martin, Jr.

Sheriff
Ex-Officio Tax Collector



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ST. JAMES PARISH SHERIFF
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2020

FINDINGS – FINANCIAL STATEMENT AUDIT:

Internal Control Finding –

2019-001 Inadequate Segregation of Accounting Functions

CONDITION:

The Sheriff did not have adequate segregation of functions within the accounting system.


RECOMMENDATION:

The Sheriff should establish and monitor controls over functions that are not completely segregated.

CURRENT STATUS:

This finding was not resolved and is repeated in the current fiscal year. The Sheriff evaluated the size of the operations and the cost-benefit of additional personnel to completely segregate the accounting functions and determined that monitoring mitigating controls was the appropriate course of action for the current fiscal year.

Sincerely,


Willy J. Martin, Jr.
Sheriff