

**PLAQUEMINES PARISH SHERIFF**  
**Pointe-A-La-Hache, Louisiana**

**Financial Report**

**Year Ended June 30, 2019**

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### INDEPENDENT AUDITORS' REPORT

The Honorable Gerald A. Turlich, Jr.  
Plaquemines Parish Sheriff  
Pointe-A-La-Hache, Louisiana

#### **Report on the Financial Statements**

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

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

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

#### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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 funds, and the aggregate remaining fund information of the Plaquemines Parish Sheriff, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer's share of net pension liability, schedule of employer's contributions, schedule of changes in the Sheriff's total OPEB liability and related ratios, schedule of employer's OPEB contributions, and notes to the required supplementary information on pages 4 through 11B and 57 through 65 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.

#### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plaquemines Parish Sheriff's basic financial statements. The affidavit is presented as mandated by the Louisiana Legislative Auditor, and is not a required part of the 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 for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The affidavit has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, on our consideration of the Plaquemines Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Plaquemines Parish Sheriff's internal control over financial reporting and compliance.

***Champagne & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
December 13, 2019

PLAQUEMINES PARISH SHERIFF  
Pointe-a-La-Hache, Louisiana  
Management's Discussion and Analysis

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of three sections: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. Management's discussion and analysis is intended to serve as an introduction to the Plaquemines Parish Sheriff's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplementary information.

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position (page 14). This is the government-wide statement of position that presents information on Plaquemines Parish Sheriff's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. This statement is designed to display the financial position of the Plaquemines Parish Sheriff. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities (page 15), which reports how the Sheriff's net position changed during the fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statements of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenue provided by the Sheriff's taxpayers.

The government-wide financial statements present the governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety.

## **FUND FINANCIAL STATEMENTS**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

PLAQUEMINES PARISH SHERIFF  
Pointe-a-La-Hache, Louisiana  
Management's Discussion and Analysis

**FUND FINANCIAL STATEMENTS (Continued)**

The various funds of the Sheriff are classified into two categories: governmental (general fund and capital projects fund), and fiduciary (agency funds).

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The governmental fund financial statements are presented on pages 18 through 21 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The fiduciary funds financial statements are presented on pages 23 through 24 of this report.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 25 of this report.

**OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Plaquemines Parish Sheriff's budgetary comparison (pages 57-60), employer's share of the net pension liability (page 61), pension contributions (page 62), changes in total OPEB liability and related ratios (page 63), employer's OPEB contributions (page 64), and notes to the required supplementary information (page 65).

PLAQUEMINES PARISH SHERIFF  
Pointe-a-La-Hache, Louisiana  
Management's Discussion and Analysis

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

The Sheriff's net position at fiscal year-end is a balance of \$68,973,682. The following table provides a summary of the Sheriff's net position:

**COMPARATIVE STATEMENTS OF NET POSITION**

	June 30, 2019		June 30, 2018	
	Governmental Activities	Percentage Total	Governmental Activities	Percentage Total
<u>Assets:</u>				
Current assets	\$ 10,584,346	9%	\$ 9,210,521	8%
Noncurrent assets	2,545,453	2%	2,842,574	2%
Capital assets, net	105,480,460	89%	106,842,731	90%
Total assets	<u>118,610,259</u>	<u>100%</u>	<u>118,895,826</u>	<u>100%</u>
<u>Deferred Outflows:</u>	12,842,756	100%	8,565,410	100%
<u>Liabilities:</u>				
Current liabilities	4,165,752	7%	2,741,914	5%
Noncurrent liabilities	55,502,963	93%	51,396,896	95%
Total liabilities	<u>59,668,715</u>	<u>100%</u>	<u>54,138,810</u>	<u>100%</u>
<u>Deferred Inflows:</u>	2,810,618	100%	1,913,166	100%
<u>Net Position:</u>				
Net investment in capital assets	96,909,914	141%	97,631,697	137%
Unrestricted (deficit)	(27,936,232)	-41%	(26,222,437)	-37%
Total net position (deficit)	<u>\$ 68,973,682</u>	<u>100%</u>	<u>\$ 71,409,260</u>	<u>100%</u>

The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.54 to 1 for the year ended June 30, 2019 and 3.4 to 1 for the year ended June 30, 2018.

The Sheriff reported a decrease in net position for the governmental activities for the year ended June 30, 2019. Net position decreased by \$2,435,578 for governmental activities from the prior year. The decrease in net position is primarily related to the charge for depreciation of fixed assets owned by the Sheriff in the amount of \$3,616,812.

PLAQUEMINES PARISH SHERIFF  
 Pointe-a-La-Hache, Louisiana  
 Management's Discussion and Analysis

**FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE (Continued)**

The following table provides a summary of the Sheriff's changes in net position for the years ended June 30, 2019 and 2018:

**COMPARATIVE STATEMENTS OF ACTIVITIES**

	June 30, 2019		June 30, 2018	
	Governmental Activities	Percentage Total	Governmental Activities	Percentage Total
<b>Revenues</b>				
Program Revenues:				
Charges for services	\$ 8,299,303	27%	\$ 6,935,263	25%
Operating grants	1,962,365	6%	491,416	2%
General Revenues:				
Property taxes	16,911,228	55%	17,291,756	62%
State sources	1,385,114	5%	1,328,158	5%
Interest and investment earnings	125,616	1%	83,571	0%
Loss on sale of assets	(6,703)	0%	(27,480)	0%
Miscellaneous	1,926,000	6%	1,608,950	6%
Total revenues	<u>30,602,923</u>	<u>100%</u>	<u>27,711,634</u>	<u>100%</u>
<b>Expenses</b>				
Public safety	32,657,369	99%	30,577,693	99%
Interest expense	381,132	1%	361,677	1%
Total expenses	<u>33,038,501</u>	<u>100%</u>	<u>30,939,370</u>	<u>100%</u>
<b>Change in Net Position</b>	(2,435,578)		(3,227,736)	
<b>Beginning net position</b>	<u>71,409,260</u>		<u>74,636,996</u>	
<b>Ending net position</b>	<u>\$ 68,973,682</u>		<u>\$ 71,409,260</u>	

PLAQUEMINES PARISH SHERIFF  
Pointe-a-La-Hache, Louisiana  
Management's Discussion and Analysis

**GOVERNMENTAL REVENUES**

The Sheriff is heavily reliant on property taxes to support its operations. Property taxes provided 55% of the Sheriff's total revenues for fiscal year 2019 compared to 62% for fiscal year 2018.

Program revenues, including operating grants received and charges for services, accounted for 33% of governmental operating revenues for fiscal year 2019 compared to 27% for fiscal year 2018.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

The total function of the Sheriff's office is public safety activities. Depreciation on the building improvements, vehicles, office furniture and equipment and law enforcement weapons and communication equipment was \$3,616,812 or 11% of total expenses for fiscal year 2019 and \$3,868,433 or 13% of total expenses for fiscal year 2018.

**FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS**

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. At June 30, 2019, governmental funds reported ending fund balances of \$10,170,977. Of this total, \$6,212,642 or 61% is unassigned indicating availability for continuing the Sheriff's activities. For the year ended June 30, 2019, the Sheriff assigned \$250,000 of its fund balance for emergencies.

**MAJOR GOVERNMENTAL FUNDS**

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$216,870 or 3% from the prior year to \$8,916,596.

PLAQUEMINES PARISH SHERIFF  
 Pointe-a-La-Hache, Louisiana  
 Management's Discussion and Analysis

**MAJOR GOVENMENTAL FUNDS (Continued)**

The following table provides a summary of the Sheriff's changes in fund balance of the General Fund for the years ended June 30, 2019 and 2018:

**CONDENSED BALANCE SHEET - GENERAL FUND**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>Increase (Decrease)</u>
<u>Assets:</u>			
Cash	\$ 1,345,552	\$ 1,419,736	\$ (74,184)
Investments	5,510,009	5,043,507	466,502
Receivables	3,733,759	3,850,142	(116,383)
Prepaid expenses	438,116	429,149	8,967
Total assets	<u>\$ 11,027,436</u>	<u>\$ 10,742,534</u>	<u>\$ 284,902</u>
<u>Liabilities:</u>			
Accounts payable	\$ 1,272,810	\$ 699,872	572,938
Salaries and pension liabilities	55,360	47,671	7,689
Claims payable	146,082	253,956	(107,874)
Deferred revenue	461,320	851,964	(390,644)
Due to employees and others	175,268	189,345	(14,077)
Total liabilities	<u>2,110,840</u>	<u>2,042,808</u>	<u>68,032</u>
<u>Fund Balance:</u>			
Nonspendable	438,116	429,149	8,967
Restricted	1,733,863	1,718,408	15,455
Committed	281,975	285,428	(3,453)
Assigned	250,000	250,000	-
Unassigned	6,212,642	6,016,741	195,901
Total fund balance	<u>8,916,596</u>	<u>8,699,726</u>	<u>216,870</u>
Total liabilities and fund balances	<u>\$ 11,027,436</u>	<u>\$ 10,742,534</u>	<u>\$ 284,902</u>

PLAQUEMINES PARISH SHERIFF  
 Pointe-a-La-Hache, Louisiana  
 Management's Discussion and Analysis

**MAJOR GOVERNMENTAL FUNDS (Continued)**

The following table provides a summary of the Sheriff's excess of revenues over expenditures of the General Fund for the years ended June 30, 2019 and 2018:

**CONDENSED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - GENERAL FUND**

	June 30, 2019	June 30, 2018	Increase (Decrease)
<b>Revenues:</b>			
Taxes	\$ 16,911,228	\$ 17,291,756	\$ (380,528)
Intergovernmental	2,078,516	1,628,823	449,693
Fees	8,299,303	7,050,780	1,248,523
Interest	122,770	83,558	39,212
Miscellaneous	1,962,725	1,608,950	353,775
Total revenues	29,374,542	27,663,867	1,710,675
<b>Expenditures:</b>			
Operating expenditures	27,582,123	25,227,034	2,355,089
Debt service - principal	545,000	525,000	20,000
Debt service - interest	381,948	396,564	(14,616)
Capital outlay	648,601	815,235	(166,634)
Total expenditures	29,157,672	26,963,833	2,193,839
Excess (deficiency) of revenues over expenditures	216,870	700,034	(483,164)
Fund balances, beginning	8,699,726	7,999,692	700,034
Fund balances, ending	\$ 8,916,596	\$ 8,699,726	\$ 216,870

Total revenues increased by \$1,710,675 or 6% from the prior year. This increase is primarily attributed to fees which reported an increase of \$1,248,523 or 18% and intergovernmental revenue which reported a decrease of \$449,693 or 28% from the prior year. Operating expenditures increased \$2,193,839 or 8% more than the prior fiscal year. The operating expenditures increase is primarily attributed to: Increased wages and associated expenses of \$1,038,394 related primarily to salary increases as of January 1, 2019, additional personnel qualifying for State Supplemental Pay, increased details and increased overtime related to transporting and guarding Federal and State prisoners. Other operating expenditures related to the keeping and maintenance of prisoners also increased due to the increased prison population.

PLAQUEMINES PARISH SHERIFF  
 Pointe-a-La-Hache, Louisiana  
 Management's Discussion and Analysis

**BUDGETARY HIGHLIGHTS**

General Fund

For the fiscal year ended June 30, 2019 budgeted revenues were \$28,873,525 and actual revenues were \$29,374,542 while budgeted expenditures were \$28,544,570 and actual expenditures were \$29,154,219 (budget basis).

**CAPITAL ASSETS**

The Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2019, was \$105,480,460. This is a decrease of \$1,362,271, from the prior year. See Note 6 for additional information about changes in capital assets during the fiscal year and capital assets owned at the end of the fiscal year.

The following table provides a summary of capital asset activity for the Sheriff for the years ended June 30, 2019 and 2018:

	<b>CAPITAL ASSETS</b>	
	<u>Governmental Activities</u>	
	<u>June 30, 2019</u>	<u>June 30, 2018</u>
<u>Capital Assets:</u>		
Assets not being depreciated:		
Construction in progress	\$ 1,998,507	\$ 349,139
Land	47,203	47,203
Assets being depreciated:		
Buildings and improvements	114,323,744	114,232,089
Equipment and vehicles	13,425,721	13,227,523
Total capital assets	<u>129,795,175</u>	<u>127,855,954</u>
Less accumulated depreciation:		
Buildings and improvements	(12,785,002)	(9,963,534)
Equipment and vehicles	(11,529,713)	(11,049,689)
Total accumulated depreciation	<u>(24,314,715)</u>	<u>(21,013,223)</u>
Capital assets, net	<u>\$ 105,480,460</u>	<u>\$ 106,842,731</u>

PLAQUEMINES PARISH SHERIFF  
 Pointe-a-La-Hache, Louisiana  
 Management's Discussion and Analysis

**LONG-TERM DEBT**

The following is a summary of the Sheriff's long-term debt transactions for the year ended June 30, 2019:

Type of Debt	Beginning Balance	Additions/ (Reductions)	Ending Balance
Community disaster loan	\$ 1,490,534	\$ -	\$ 1,490,534
Postemployment benefit obligation payable	33,019,449	5,270,576	38,290,025
Bonds payable	10,778,069	(613,897)	10,164,172
Net pension liability	6,980,449	(393,274)	6,587,175
Total long-term debt	52,268,501	4,263,405	56,531,906
Less: current portion of long-term debt	(871,605)	(157,338)	(1,028,943)
Total long-term debt, net of current maturities	<u>\$ 51,396,896</u>	<u>\$ 4,106,067</u>	<u>\$ 55,502,963</u>

As noted above, total long-term debt increased by \$4,106,067 or 8% from the prior year. Significant long-term transactions included:

- The Sheriff accrued a Net OPEB Obligation expense of \$5,270,576 for post-employment health and life benefits based on the actuarial valuation of our program as per GASB 75 on Other Post-Employment Benefits. The Sheriff has chosen to not fund this actuarial liability.
- The Sheriff realized a decrease in his share of the unfunded pension obligations of the Louisiana Sheriff's Retirement Fund in the amount of \$393,274.
- The Sheriff reduced Bonds Payable by \$613,897 from the prior year.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Plaquemines Parish Sheriff's Office is dependent on Ad Valorem taxes for approximately 55% of its revenue to fund its entire operating expenses. The income from Ad Valorem taxes for 2019-2020 fiscal year is expected to be the same as the prior fiscal year.

The Plaquemines Parish Sheriff's Office operates an 874 bed prison located in Davant, Louisiana. It is the goal of Sheriff Gerald A. Turlich, Jr. to continue to network with State and Federal agencies to increase inmate population in the prison with a combination of State and Federal prisoners and to develop programs that generate revenues and prepare prisoners for their eventual release. The prison programs instituted or maintained by Sheriff Turlich include a re-entry program that provides job skill training for soon to be released prisoners and a work release program that allows select prisoners to work in private industry. Occupancy at the prison steadily increased during the fiscal year ended June 30, 2019. As of June 30, 2019, the prison housed 522 State prisoners and 82 Federal prisoners. These numbers are expected to increase over the next fiscal year generating additional revenues for operations.

The budget for the fiscal year ended June 30, 2020 anticipates a budget surplus of \$12,215. Sheriff Turlich continues to strive to identify additional revenue opportunities and cost saving measures while not affecting the delivery of law enforcement services or increasing taxes to the citizens of Plaquemines Parish.

PLAQUEMINES PARISH SHERIFF  
Pointe-a-La-Hache, Louisiana  
Management's Discussion and Analysis

**CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Gerald A. Turlich, Jr., Sheriff, Plaquemines Parish Sheriff and Tax Collector, 8022 Hwy. 23, Belle Chasse, LA 70037.

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Statement of Net Position  
June 30, 2019

ASSETS

Current assets:

Cash and interest-bearing deposits	\$ 450,944
Investments	4,495,436
Due from other governmental units and others	5,199,850
Prepaid items	<u>438,116</u>
Total current assets	<u>10,584,346</u>

Noncurrent assets:

Restricted assets -	
Cash and interest-bearing deposits	1,530,880
Investments	1,014,573
Capital assets:	
Construction in progress	1,998,507
Other capital assets, net of depreciation	<u>103,481,953</u>
Total noncurrent assets	<u>108,025,913</u>
Total assets	<u>118,610,259</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pension plan	4,271,292
Deferred outflows related to bond refunding	1,016,611
Deferred outflows related to post-employment benefits plan	<u>7,554,853</u>
Total deferred outflows of resources	<u>12,842,756</u>

LIABILITIES

Current liabilities:

Accounts and other payables	1,536,713
Compensated absences payable	499,070
Accrued interest payable	140,237
Contracts and retainage payable	797,592
Claims payable	146,082
Unearned revenue	17,115
Bonds payable	570,000
Community disaster loan	<u>458,943</u>
Total current liabilities	<u>4,165,752</u>

Noncurrent liabilities:

Community disaster loan	1,031,591
Postemployment benefit obligation payable	38,290,025
Bonds payable	9,594,172
Net pension liability	<u>6,587,175</u>
Total noncurrent liabilities	<u>55,502,963</u>
Total liabilities	<u>59,668,715</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pension plan	2,295,695
Deferred inflows related to post-employment benefits plan	<u>514,923</u>
Total deferred inflows of resources	<u>2,810,618</u>

NET POSITION

Net investment in capital assets	95,895,341
Restricted	1,014,573
Unrestricted (deficit)	<u>(27,936,232)</u>
Total net position	<u>\$ 68,973,682</u>

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Statement of Activities  
For the Year Ended June 30, 2019

Expenses:	
Public safety:	
Personal services and related benefits	\$ 17,967,152
Operating services	4,256,702
Operations and maintenance	10,433,515
Interest expense	<u>381,132</u>
Total expenses	<u>33,038,501</u>
Program revenues:	
Fines, forfeitures, and other fees	8,299,303
Federal grants	<u>1,962,365</u>
Total program revenues	<u>10,261,668</u>
Net program expense	<u>(22,776,833)</u>
General revenues:	
Property taxes, levied for general purposes	16,911,228
State sources	1,385,114
Interest and investment earnings	125,616
Loss on sale of assets	(6,703)
Miscellaneous	<u>1,926,000</u>
Total general revenues	<u>20,341,255</u>
Change in net position	(2,435,578)
Beginning net position	<u>71,409,260</u>
Ending net position	<u>\$ 68,973,682</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTION - MAJOR FUNDS**

### **MAJOR FUNDS**

#### **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.

#### **Capital Projects Fund - Katrina Projects**

The Capital Projects Fund - Katrina Projects is used to account for construction projects funded by federal grants.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Balance Sheet  
Governmental Funds  
June 30, 2019

	General	Capital Projects Fund - Katrina Projects	Total
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 1,345,552	\$ 636,272	\$ 1,981,824
Investments	5,510,009	-	5,510,009
Receivables:			
Due from other governmental units and others	3,714,008	1,485,842	5,199,850
Due from other funds	19,751	-	19,751
Prepaid items	438,116	-	438,116
Total assets	\$ 11,027,436	\$ 2,122,114	\$13,149,550
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 1,272,810	\$ 33,275	\$ 1,306,085
Salaries and pension liabilities	55,360	-	55,360
Contracts and retainage payable	-	797,592	797,592
Claims payable	146,082	-	146,082
Deferred revenue	461,320	17,115	478,435
Due to other funds	-	19,751	19,751
Due to others	28,329	-	28,329
Due to employees	146,939	-	146,939
Total liabilities	2,110,840	867,733	2,978,573
Fund balance -			
Nonspendable	438,116	-	438,116
Restricted	1,733,863	1,254,381	2,988,244
Committed	281,975	-	281,975
Assigned	250,000	-	250,000
Unassigned	6,212,642	-	6,212,642
Total fund balances	8,916,596	1,254,381	10,170,977
Total liabilities and fund balances	\$ 11,027,436	\$ 2,122,114	\$13,149,550

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

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

Total fund balance for governmental funds at June 30, 2019		\$ 10,170,977
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	\$ 47,203	
Construction in progress	1,998,507	
Buildings and improvements, net of \$12,785,002 accumulated depreciation	101,538,742	
Equipment and vehicles, net of \$11,529,713 accumulated depreciation	<u>1,896,008</u>	105,480,460
The deferred outflows of expenditures are not a use of current resources, and are therefore, not reported in the funds:		
Pension plan	4,271,292	
Bond refunding	1,016,611	
Post employment benefit obligation	<u>7,554,853</u>	12,842,756
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:		
Bond payable and underlying bond premium and accrued interest	(10,304,409)	
Community disaster loan	(1,490,534)	
Net postemployment benefit obligation payable	(38,290,025)	
Compensated absences payable	(499,070)	
Net pension liability	<u>(6,587,175)</u>	(57,171,213)
The deferred inflows of contributions are not available resources, and are therefore, not reported in the funds:		
Pension plan	(2,295,695)	
Bond refunding	<u>(514,923)</u>	(2,810,618)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Federal grant (FEMA funds)		<u>461,320</u>
Total net position of governmental activities at June 30, 2019		<u>\$ 68,973,682</u>

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended June 30, 2019

	General	Capital Projects Fund - Katrina Projects	Total
<b>Revenues:</b>			
Taxes	\$ 16,911,228	\$ -	\$16,911,228
Intergovernmental	2,078,516	1,828,806	3,907,322
Fees, charges, and commissions for services	8,299,303	-	8,299,303
Interest income	122,770	2,846	125,616
Miscellaneous	1,962,725	-	1,962,725
Total revenues	29,374,542	1,831,652	31,206,194
<b>Expenditures:</b>			
Current -			
Public safety	16,518,956	-	16,518,956
Operating services	4,256,702	-	4,256,702
Operations and maintenance	6,806,465	-	6,806,465
Debt service - principal	545,000	-	545,000
Debt service - interest	381,948	-	381,948
Capital outlay	648,601	1,659,606	2,308,207
Total expenditures	29,157,672	1,659,606	30,817,278
Excess of revenues over expenditures	216,870	172,046	388,916
Fund balances, beginning	8,699,726	1,082,335	9,782,061
Fund balances, ending	\$ 8,916,596	\$ 1,254,381	\$10,170,977

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

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

Total net change in fund balance at June 30, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 388,916
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 the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 2,297,969	
Depreciation expense for the year ended June 30, 2019	<u>(3,616,812)</u>	(1,318,843)
Because governmental funds do not record fixed assets and accumulated depreciation, any assets disposed of with no selling price do not affect the statement of revenues, expenditures, and changes in fund balance. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated.		
		(43,428)
Expenses not required the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Net change in bonds payable, unamortized premium, accrued interest and related deferred	545,816	
Net change in compensated absences payable	(30,005)	
Net change in OPEB liability and related deferreds	(1,768,784)	
Net change in pension liability and related deferreds	<u>350,593</u>	(902,380)
Revenues recognized in the Statement of Revenues, Expenditures, and Changes in Fund Balance in a different year as compared to the Statement of Activities:		
Federal grant (FEMA funds)		<u>(559,843)</u>
Total changes in net position at June 30, 2019 per Statement of Activities		<u>\$ (2,435,578)</u>

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

## **FUND DESCRIPTIONS - NONMAJOR FUNDS**

### **FIDUCIARY FUNDS - AGENCY FUNDS**

All of these funds are reflected in the totals of the agency funds presented in the statement of fiduciary net position.

#### **Civil Fund**

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

#### **Tax Collector Fund**

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

#### **Installment Fines Fund**

The Installment Fines Fund is used to account for the collection of fines paid on an installment basis as authorized by the court. Transfers are made to the Bonds and Fines Fund when the fine has been completely collected and disposition is made by that fund.

#### **Bonds and Fines Fund**

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

#### **Prison Inmate Fund**

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

#### **Transitional Work Release Program Fund**

The Transitional Work Release Program Fund is used to account for the collection of inmate wages and the disbursement of those collections in accordance with R.S. 15:711.

### **FIDUCIARY FUND - TRUST FUND**

#### **Other Post Employment Benefit Plan - Plaquemines Parish Retired Employees' Insurance Fund (PREIF) Trust Fund**

The Plaquemines Parish Retired Employees' Insurance Fund was created during the year ended June 30, 2013. This fund is being used to accumulate funds with the intention of using these funds to pay for retiree benefits that are being accrued under GASB 75. These funds are considered assets for GASB 75 purposes and therefore, reduce the liability as noted on page 44.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Statement of Fiduciary Net Position - Agency Funds and Trust Fund  
June 30, 2019

	Agency Funds	Other Post Employment Benefit Plan - PREIF Trust Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,631,461	\$ -	\$ 3,631,461
Cash and deposits	-	22,003	22,003
Domestic equity investments	-	336,468	336,468
Fixed income investments	-	470,023	470,023
Total assets	3,631,461	828,494	4,459,955
<b>LIABILITIES</b>			
Held for others pending court action	576,219	-	576,219
Held for inmates	62,584	-	62,584
Held for taxing bodies	2,992,658	-	2,992,658
Total liabilities	3,631,461	-	3,631,461
<b>NET POSITION</b>			
Net position restricted for postemployment benefits other than pensions	-	828,494	828,494
Total net position	\$ -	\$ 828,494	\$ 828,494

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Statement of Changes in Fiduciary Net Position -  
Other Post Employment Benefit Plan - PREIF Trust Fund  
For the Year Ended June 30, 2019

Additions:	
Employer contributions	<u>\$ 1,000,929</u>
Investment income:	
Net increase in fair value of investments	17,762
Interest and dividends	40,216
Investment expense	<u>(7,730)</u>
Net investment income	<u>50,248</u>
Total additions	<u>1,051,177</u>
Deductions:	
Benefit payments	<u>1,250,929</u>
Net decrease in net position	(199,752)
Net position, beginning	<u>1,028,246</u>
Net position, ending	<u>\$ 828,494</u>

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

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

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

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, serving subpoenas, et cetera.

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, fines, costs, and bond forfeitures imposed by the district court.

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

The statement of activities presents a comparison between program revenues of the Sheriff and the cost of the function. Program revenues are derived directly from Sheriff users as a fee for services. Revenues that are not classified as program revenues, including taxes, are presented as general revenues.

Fund Financial Statements

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

The various funds of the Sheriff are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

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

The funds of the Sheriff which are considered to be major funds are described below:

Governmental Funds –

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Capital Projects Fund – Katrina Projects –

This capital projects fund is used to account for construction projects funded by federal grants.

The Sheriff also reports the following funds:

Agency Funds

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

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

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

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

Installment Fines Fund - To account for the collection of fines paid on an installment basis as authorized by the court. Transfers are made to the Bonds and Fines Fund when the fine has been completely collected and disposition is made by that fund.

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

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Transitional Work Release Program Fund – To account for the collection of inmate wages and the disbursement of those collections in accordance with R.S. 15:711.

Trust Fund –

Plaquemines Parish Retired Employees Insurance Fund (PREIF) - To account for funds accumulated for the purpose of paying retiree benefits accrued under GASB 75.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions.”

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized as soon as they are both “measurable and available.”

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days, excluding the FEMA grant program. For the FEMA grant program, the government uses 12 months as the availability period. All other grant revenues are recognized in the same period as the underlying expenditures. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash, interest-bearing deposits, and investments

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

Interfund receivables and payables

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

Receivables

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

Capital Assets

The accounting treatment for buildings, improvements and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Interest costs are not capitalized as they relate to fixed assets. The Sheriff's threshold for capitalization is \$5,000.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

Long-term debt

All long-term debt to be repaid from governmental funds is reported as liabilities in the government-wide statements. The long-term debt consists of revenue bonds payable, postemployment benefit obligation payable, and net pension liability.

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

Compensated Absences

Employees of the Sheriff's office earn from 10 to 25 days of vacation leave each year, depending on their length of service and earn 5 days of sick leave. Both vacation and sick leave must be taken in the calendar year it is earned. Therefore, at December 31 of each year, any unused days are lost. At June 30, 2019, the Sheriff had \$499,070 of accrued benefits.

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.

Equity Classifications

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

*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.

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

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

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

*Unassigned* – all other spendable amounts.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

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

	General Fund	Capital Projects Fund - Katrina Projects	Total Governmental Funds
Nonspendable:			
Prepaid items	\$ 438,116	\$ -	\$ 438,116
Restricted:			
Bond proceeds and sinking fund	1,733,863	-	1,733,863
Capital projects - FEMA funds	-	1,254,381	1,254,381
Committed:			
Encumbrances	281,975	-	281,975
Assigned:			
Emergency preparation	250,000	-	250,000
Unassigned:			
	6,212,642	-	6,212,642
Total fund balances	\$8,916,596	\$ 1,254,381	\$ 10,170,977

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

E. Cash, Interest-Bearing Deposits and Investments

Cash, interest-bearing deposits and investments include amounts in demand deposits, time deposits, and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP), which are stated at cost. An investment in the amount of \$5,510,009 at June 30, 2019 is deposited in LAMP, a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures 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, 2019, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$6,441,779 of which \$4,459,955 is attributable to fiduciary funds, which are not presented in the statement of net position.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2019, are secured as follows:

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Bank balances	<u>\$ 8,331,398</u>
At June 30, 2019 the deposits are secured as follows:	
Federal deposit insurance	\$ 814,546
Pledged securities	<u>7,516,852</u>
Total	<u>\$ 8,331,398</u>

Deposits in the amount of \$7,516,852 were exposed to custodial credit risk. These are uninsured and collateralized with securities held by the pledging financial 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) Investment

The Sheriff had only one investment on which GASB Statement No. 31 applied. This investment was an investment in LAMP. GASB Statement No. 31 requires that investments that fall within the definitions of said statement be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is also regulated by the Treasury of the State of Louisiana and fair value of the position in the pool is the same as the value of pool shares.

At June 30, 2019, the Sheriff's investment, at cost, is \$5,510,009. The amortized cost of this investment at June 30, 2019 was also \$5,510,009.

(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 taxing bodies in October and are actually billed to the taxpayers by the Sheriff in November. 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 Plaquemines Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2019, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.65 mills on property with assessed valuations totaling \$985,281,976.

Total law enforcement taxes levied during 2019 were \$17,390,244. Taxes receivable in the General Fund at June 30, 2019 was \$348,910 and is presented as cash on the statement of net position because the funds were in the hands of the tax collector at June 30, 2019.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Due from Other Governmental Units and Others

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

Federal grants	\$ 3,488,922
State grants	22,067
Maintenance of prisoners	892,340
Video poker	30,422
Other	<u>766,099</u>
	<u>\$ 5,199,850</u>

(6) Capital Assets

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

	Balance 07/01/18	Additions	Deletions	Balance 06/30/19
Governmental activities:				
Assets not being depreciated:				
Construction in progress	\$ 349,139	\$ 1,649,368	\$ -	\$ 1,998,507
Land	47,203	-	-	47,203
Assets being depreciated:				
Buildings and improvements	114,232,089	180,367	(88,712)	114,323,744
Equipment and vehicles	<u>13,227,523</u>	<u>468,234</u>	<u>(270,036)</u>	<u>13,425,721</u>
Totals	<u>127,855,954</u>	<u>2,297,969</u>	<u>(358,748)</u>	<u>129,795,175</u>
Less accumulated depreciation:				
Buildings and improvements	(9,963,534)	(2,869,372)	47,904	(12,785,002)
Equipment and vehicles	<u>(11,049,689)</u>	<u>(747,440)</u>	<u>267,416</u>	<u>(11,529,713)</u>
Total accumulated depreciation	<u>(21,013,223)</u>	<u>(3,616,812)</u>	<u>315,320</u>	<u>(24,314,715)</u>
Governmental activities, capital assets, net	<u>\$ 106,842,731</u>	<u>\$ (1,318,843)</u>	<u>\$ (43,428)</u>	<u>\$ 105,480,460</u>

Depreciation expense was charged to governmental activities as operations and maintenance in the amount of \$3,616,812.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Accounts and Other Payables

The accounts and other payables consisted of the following at June 30, 2019:

Accounts	\$1,306,085
Due to employees	202,299
Due to others	<u>28,329</u>
Totals	<u>\$1,536,713</u>

(8) Short-Term Debt

The Sheriff borrowed \$2,300,000 from Mississippi River Bank during the course of the fiscal year ended June 30, 2019 to cover general operating expenditures. This was a revenue anticipation note, bearing interest at 3.50%. The principal and interest due was paid before June 30, 2019.

(9) Long-Term Debt

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

Long-term debt, June 30, 2018	\$ 12,268,602
Debt assumed	-
Debt retired	<u>(613,896)</u>
Long-term debt, June 30, 2019	<u>\$ 11,654,706</u>

The General Fund has historically paid this debt.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

\$3,163,271 Community Disaster Loan due in annual installments of \$163,648 to \$180,000; interest rate of 2.69 percent; full maturity at September, 2026	\$ 1,490,534
\$12,215,000 Series 2009 Limited Tax Bonds due in annual installments of \$450,000 to \$515,000; interest rates of 4.5 percent to 5.0 percent; full maturity at September, 2019, net of unamortized premium	515,000
\$8,875,000 Series 2016 Limited Tax Refunding Bonds due in annual installments of \$55,000 to \$885,000; interest rates of 2.0 percent to 4.0 percent; full maturity at September, 2031, including unamortized premium	<u>9,649,172</u>
Total long-term debt	11,654,706
Less: Current portion	<u>(1,028,943)</u>
Net long-term portion	<u>\$10,625,763</u>

The annual requirements to amortize all debt outstanding as of June 30, 2019 are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 1,028,943	\$ 548,776	\$ 1,577,719
2021	735,898	342,100	1,077,998
2022	754,554	320,219	1,074,773
2023	778,308	297,715	1,076,023
2024	802,163	274,510	1,076,673
2025-2029	4,115,669	916,875	5,032,544
2030-2032	<u>2,555,000</u>	<u>273,900</u>	<u>2,828,900</u>
	10,770,535	2,974,095	13,744,630
Add: Unamortized premium	<u>884,171</u>	-	<u>884,171</u>
	<u>\$11,654,706</u>	<u>\$ 2,974,095</u>	<u>\$ 14,628,801</u>

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(10) Risk Management

The Sheriff is exposed to risks of loss in the areas of health care, general and auto liability, property hazards, and workers' compensation. Health care risk and workers' compensation risk are handled by self-insurance plans, which are explained in the following paragraphs. Property hazards and auto and professional liability are handled by purchasing commercial insurance. There have been no significant reductions in this insurance coverage during the current fiscal year, nor have settlements exceeded coverage for the past three years.

A. Health Care Liability

The Sheriff established a limited risk management program for group hospitalization insurance. The Sheriff hired UMR as administrator for this program. This plan provides unlimited (no maximum) employee health benefits per employee in a lifetime. The Sheriff purchases commercial insurance for individual claims in excess of \$125,000.

The General Fund of the Sheriff recognizes the assets, liabilities, revenues and expenditures of the group hospitalization insurance plan. The claims liability of \$138,154 reported in the fund at June 30, 2019, is based on the loss that is probable to have existed at the date of the financial statements and the amount of the loss that can be reasonably reduced by estimated insurance reimbursements. The Sheriff currently does not discount its claims liabilities.

B. Workers' Compensation

The Sheriff established a limited risk management program for workers' compensation. The Sheriff hired Gulf South Risk Services, Inc. as the administrator for this program. The liability for these claims is \$(91,367) and is part of the claims payable balance at June 30, 2019.

A reconciliation of changes in liabilities is as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
<b>Group hospitalization</b>				
2017-2018	297,817	2,658,685	(2,842,188)	114,314
2018-2019	114,314	3,160,603	(3,136,763)	138,154
<b>Workers' Compensation</b>				
2017-2018	75,970	52,840	(66,493)	62,317
2018-2019	62,317	(94,101)	(59,583)	(91,367)

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Claims payable for group hospitalization of \$138,154 at June 30, 2019 was determined as follows:

1. Claims incurred prior to June 30, 2019 and paid subsequently	\$ 249,631
2. Provision for claims incurred but not reported	24,060
3. Health insurance receivable	<u>(135,537)</u>
Total claims payable	<u>\$ 138,154</u>

The provision for claims incurred but not reported was estimated at June 30, 2019 based on historical information.

Claims payable for workers' compensation is based on information provided by a third-party administrator.

(11) Changes in Agency Fund Balances

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

	Civil Fund	Tax Collector Fund	Installment Fines Fund	Bonds and Fines Fund	Prison Inmate Fund
Balances, June 30, 2018	\$ 63,054	\$ 2,935,825	\$ 323,069	\$ 223,556	\$ 51,415
Additions	1,304,205	66,645,036	133,174	944,166	1,028,582
Deletions	<u>(1,306,276)</u>	<u>(66,588,203)</u>	<u>(132,277)</u>	<u>(976,452)</u>	<u>(1,023,466)</u>
Balances, June 30, 2019	<u>\$ 60,983</u>	<u>\$ 2,992,658</u>	<u>\$ 323,966</u>	<u>\$ 191,270</u>	<u>\$ 56,531</u>
	<div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin-right: 10px;"> <u>Transitional Work Release Fund</u> </div> </div>				
Balances, June 30, 2018	\$ 4,599				
Additions	206,677				
Deletions	<u>(205,223)</u>				
Balances, June 30, 2019	<u>\$ 6,053</u>				

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Operating Leases

Rental expense for the year ended June 30, 2019 was \$152,479. The Sheriff had the following outstanding lease agreements at June 30, 2019:

<u>Description</u>	<u>Term</u>	<u>Expiration Date</u>	<u>Monthly Lease Amount</u>
Copier	5 Years	12/21	\$ 127
Copier	5 Years	12/21	125
Copier	5 Years	7/21	166
Copier	5 Years	1/25	295
Copier	5 Years	1/25	554

The minimum future payments for these arrangements are as follows:

<u>Year Ended June 30,</u>	
2020	\$ 15,212
2021	15,212
2022	11,868
2023	10,188
Thereafter	<u>15,282</u>
Total	<u>\$ 67,762</u>

(13) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2019, the Sheriff is involved in several lawsuits claiming damages. On several claims, the Sheriff feels that they may have to satisfy a portion of their deductible of \$25,000; accordingly, \$72,495 has been accrued for these claims. The other claims are either premature for estimation of possible loss or management believes there is no exposure. Therefore, no accrual has been recorded for these claims.

B. Grant Audit

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by grantor agencies cannot be determined. A receivable of \$3,454,885 is included in due from other governmental units. This balance represents the amount expected to be reimbursed by the FEMA Public Assistance Grant for expenditures incurred in years ended June 30, 2006 through June 30, 2019.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

(15) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2019:

	Receivables	Payables
Major funds		
Governmental Funds:		
General Fund	\$ 19,751	\$ -
Capital Projects Fund - Katrina Projects	-	19,751
Total	\$ 19,751	\$ 19,751

Interfund receivables and payables resulted from the General Fund paying for some Capital Project Fund expenditures, due to delay in funding from the State of Louisiana on the FEMA projects. The Capital Projects Fund will repay the General Fund once the funds are received from the State.

(16) Other Post-Employment Benefits Plan / Combined GASB 74 and GASB 75

*Plan Description and Administration* - The Plaquemines Parish Sheriff's Office administers the Plaquemines Parish Sheriff's Office Retiree Benefits Plan (the Plan) – a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees of the Sheriff. The Plan was established in August 2010. The Sheriff does not issue a separate financial report for the plan.

*Management of the Plan* – Management of the plan is vested in the Board, which consists of management and the Board of Directors, who may vary from time to time.

*Plan Membership* – At June 30, 2019, the Plan's membership consisted of the following:

Inactive members or beneficiaries currently receiving benefit payments	54
Inactive members entitled to but not yet receiving benefit payments	-
Active plan members	230
	284

PLAQUEMINES PARISH SHERIFF  
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Notes to Basic Financial Statements (Continued)

*Benefits Provided* – Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays a 100% of the medical coverage for the retiree. Retirees pay \$150 per month for dependent coverage prior to Medicare eligibility and \$39.20 per month for Medicare dependents. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: age 55 and 12 years of service; or, 30 years of service at any age. Employees first eligible for the retirement system on and after January 1, 2012 are eligible for retirement (D.R.O.P. entry) as follows: age 62 and 12 years of service; or, age 60 and 20 years of service; or age 55 and 30 years of service. At least 12 years of service with Plaquemines Parish Sheriff's Office is required for retiree medical benefits.

Life insurance coverage is continued to retirees and the employer pays for 100% of the retiree's life insurance after retirement. However, the rates are based on the blended active/retired rate and there is thus an implicit subsidy. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

*Contributions* – The Sheriff has the authority to establish and amend the contribution requirements of the Sheriff and the plan members. Plan members are not required to contribute to their post-employment benefits costs.

**Investments**

*Investment policy* – The Investment Management Board consist of Chairman which is the Sheriff, two Sheriff employee members and the Sheriff's Office legal member. The Investment Management Board meets with the Trust's investment advisor on a quarterly basis to review the asset allocation and make any changes deemed necessary. These are public meetings that are advertised prior to the meeting dates and times. The following was the asset allocation policy as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	41.72%
Bonds	55.28%
Cash	3.0%

*Concentrations* – The Trust has over 5% invested in the following funds:

- 5.20% – T. Rowe Blue Chip Growth
- 6.19% – Vanguard Equity Income
- 10.36% – Vanguard Total Stock Market
- 6.29% – American Funds Europacific Growth
- 5.21% – Vanguard Total International Stock Index
- 6.14% – Artisan High Income
- 7.11% – Oppenheimer Senior Floating Rate
- 8.17% – Templeton Global Bond
- 20.44% – Fidelity Government Income
- 10.19% – Vanguard Short-Term Federal
- 5.10% – Merger Fund Institutional Class

*Rate of Return* – For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 4.88%. The money-weighted rate of return expresses

PLAQUEMINES PARISH SHERIFF  
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Notes to Basic Financial Statements (Continued)

investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability**

The components of the net OPEB liability of the Sheriff at June 30, 2019 , were as follows:

Total OPEB liability	\$ 39,118,519
Plan fiduciary net position	<u>(828,494)</u>
Sheriff's net OPEB liability	<u>\$ 38,290,025</u>
Plan fiduciary net position as a percentage of the total OPEB liability	2.12%

The Sheriff's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

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

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.87% annually (beginning of year to determine ADC) 3.50% annually (as of end of year measurement date)
Healthcare cost trend rates	Flat 5.5% annually

Mortality rates were based on the 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2018.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2018 are summarized in the following table:

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Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	6.0%
Corporate Bonds	5.0%
Agency Bonds	4.0%
Cash	1.0%

*Discount Rate* – The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that the Sheriff contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB’s plan 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	<u>Increases (Decreases)</u>		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/2018	\$ 34,047,695	\$ 1,028,246	\$ 33,019,449
Service Cost	1,003,163	-	1,003,163
Interest Cost at 3.870%	1,293,440	-	1,293,440
Difference between expected and actual experience	1,831,813	-	1,831,813
Employer contributions			
Trust	-	-	-
Net investment income	-	57,978	(57,978)
Changes of assumptions	2,193,337	-	2,193,337
Benefit payments			
a. From Trust	(250,000)	(250,000)	-
b. Direct	(1,000,929)	-	(1,000,929)
Administrative expense			
a. From Trust	-	(7,730)	7,730
b. Direct	-	-	-
Net changes:	<u>5,070,824</u>	<u>(199,752)</u>	<u>5,270,576</u>
Balances at 6/30/2019	<u>\$ 39,118,519</u>	<u>\$ 828,494</u>	<u>\$ 38,290,025</u>

*Sensitivity of the net OPEB liability to Changes in the Discount Rate* – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50%) or 1-percentage point higher (4.50%) than the current discount rate:

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Notes to Basic Financial Statements (Continued)

	<u>1.0% Decrease</u> 2.50%	<u>Current</u> Discount Rate 3.50%	<u>1.0% Increase</u> 4.50%
Net OPEB liability	<u>\$45,359,859</u>	<u>\$ 38,290,025</u>	<u>\$32,788,951</u>

*Sensitivity of the net OPEB liability to Changes in the Healthcare Cost Trend Rate* – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net 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:

	<u>1.0% Decrease</u> 4.50%	<u>Current</u> Trend Rate 5.50%	<u>1.0% Increase</u> 6.50%
Net OPEB liability	<u>\$32,650,631</u>	<u>\$ 38,290,025</u>	<u>\$ 45,473,021</u>

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

For the year ended June 30, 2019, the Sheriff recognized OPEB expense of \$2,769,713. At June 30, 2019, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experiences	\$ -	\$ 29,632
Changes of assumptions	5,845,161	-
Net difference between projected and actual earnings on OPEB plan investments	<u>1,709,692</u>	<u>485,291</u>
Total	<u>\$ 7,554,853</u>	<u>\$ 514,923</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u> <u>Ended</u>	
2020	\$ 496,858
2021	496,858
2022	496,858
2023	496,858
2024	504,968
Thereafter	4,547,530

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Notes to Basic Financial Statements (Continued)

There was no payable for outstanding contributions to OPEB plan at June 30, 2019.

(17) Ex-officio Tax Collector

The amount of cash on hand at year end was \$2,992,658. The amount of taxes collected by taxing authority was:

Plaquemines Parish Government	\$ 14,583,008
Plaquemines Parish School Board	26,008,771
Plaquemines Parish Assessor	1,039,581
Plaquemines Parish Hospital Service Districts	4,870,628
Plaquemines Parish Law Enforcement	16,989,445
Louisiana Tax Commission	86,788
	\$ 63,578,221

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

	LTC Decreases	No Property Found	Unpaid
Plaquemines Parish Government	\$ 16,531	\$ 723	\$ 188,506
Plaquemines Parish School Board	291,658	1,290	336,199
Plaquemines Parish Assessor	11,658	51	13,437
Plaquemines Parish Hospital Service Districts	54,618	242	62,960
Plaquemines Parish Law Enforcement	190,517	843	219,612
Louisiana Tax Commission	3,825	-	-
	\$ 568,807	\$ 3,149	\$ 820,714

The amount of occupational licenses collected by taxing authority was:

Plaquemines Parish Government	\$ 749,704
Plaquemines Parish Law Enforcement	132,301
	\$ 882,005

(18) Pension Plan / GASB 68

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 same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are

PLAQUEMINES PARISH SHERIFF  
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Notes to Basic Financial Statements (Continued)

recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Summary of Significant Accounting Policies:

The Sheriff's Pension and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense, and amortization periods for deferred inflows and deferred outflows.

Basis of Accounting:

The Sheriff's Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

Fund Employees:

The Fund is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the Fund's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Plan Description:

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

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 Benefits

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

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

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

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

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

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 member's accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor Benefits

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

Deferred Benefits

The 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.

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately

PLAQUEMINES PARISH SHERIFF  
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Notes to Basic Financial Statements (Continued)

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.

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.

Employer Contributions:

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

In accordance with state statute, the 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 \$701,299 and excluded from pension expense for the year ended June 30, 2018.

Schedule of Employer Allocations:

The schedule of employer allocations reports the historical employer contributions in addition to the employer allocation percentages for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Sheriffs' Pension and Relief Fund. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the Fund during the fiscal year ended June 30, 2018 as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2018.

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

At June 30, 2019, the Sheriff reported a liability of \$6,587,175 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

all participating employers, actuarially determined. At June 30, 2018, the Sheriff's proportion was 1.717804%, which was an increase of 0.105793% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Sheriff recognized pension expense of \$1,881,728 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$5,852.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,849,123
Changes of assumptions	1,947,262	-
Net difference between projected and actual earnings on pension plan investments	-	391,035
Change in proportion and differences between employer contributions and proportionate share of contributions	798,860	55,537
Employer contributions subsequent to the measurement date	1,525,170	-
Total	\$ 4,271,292	\$ 2,295,695

Deferred outflows of resources of \$1,525,170 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:

Fiscal Year Ended		
2020		\$ 698,156
2021		203,292
2022		(584,118)
2023		30,615
2024		102,482

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

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

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.25%, net of investment expense
Discount Rate	7.25%
Projected Salary Increases	5.5% (2.6% inflation, 2.9% merit)
Mortality Rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants.
Expected Remaining Service Lives	2018 - 6 years 2017 - 7 years 2016 - 7 years 2015 - 6 years 2014 - 6 years
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

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

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

Sensitivity to Changes in the Discount Rate:

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.25%, 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 (6.25%) or one percentage-point higher (8.25%) than the current rate as of June 30, 2018 :

	Changes in discount rate		
	1.0% Decrease	Current	1.0% Increase
	6.25%	Discount Rate	8.25%
		7.25%	
Employer's proportionate share of the net pension liability	<u>\$14,907,656</u>	<u>\$ 6,587,175</u>	<u>\$ (417,719)</u>

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Change in Net Pension Liability:

The changes in the net pension liability for the year ended June 30, 2018 were recognized in the current reporting period except as follows:

- a. Differences between Expected and Actual Experience – Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as 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. The difference between expected and actual resulted in a deferred inflow of resources in the amount of \$1,849,123 for the year ended June 30, 2018.
- b. Changes of Assumptions – Changes of assumptions about future economic or demographic factors 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. Changes of assumptions resulted in a deferred outflow of resources in the amount of \$1,947,262 for the year ended June 30, 2018.
- c. Differences between Projected and Actual Investment Earnings – Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The differences between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of \$391,035 for the year ended June 30, 2018.
- d. Change in Proportion – Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in the employer's 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 pensions through the pension plan. The unamortized amounts arising from changes in proportion are presented in the Schedule of Pension Amounts by Employer as deferred outflows or deferred inflows as of June 30, 2018. The change in proportion resulted in a deferred outflow of resources in the amount of \$798,860 and deferred inflow of resources in the amount of \$55,537 for the year ended June 30, 2018.

Contributions - Proportionate Share:

Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense (benefit) using 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.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

Estimates:

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

Retirement Fund Audit Report:

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2018. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov).

(19) Act 706-Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Entity Head

Under Act 706, the Plaquemines Parish Sheriff's Office is required to disclose the compensation, reimbursements, benefits, and other payments made to the Sheriff, in which the payments are related to the position. The following is a schedule of payments made to the Sheriff for the year ended June 30, 2019.

Entity head: Gerald A. Turlich, Jr., Sheriff

Salary and allowance	\$	161,160
Benefits - insurance		36,915
Benefits - retirement		39,774
Benefits - disability insurance		528
Travel		<u>4,914</u>
Total	\$	<u>243,291</u>

(20) New Accounting Pronouncement

In January of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No.84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The provisions of this Statement must be implemented by the Plaquemines Parish Sheriff's Office for the year ending June 30, 2020. The effect of implementation on the Plaquemines Parish Sheriff's Office financial statements has not yet been determined.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>						
Taxes	\$ 17,025,000	\$ 16,719,000	\$ 16,911,228	\$ -	\$ 16,911,228	\$ 192,228
Intergovernmental	1,374,000	1,991,786	2,078,516	-	2,078,516	86,730
Fees, charges, and commissions for services	6,576,950	7,541,434	8,299,303	-	8,299,303	757,869
Interest Income	43,500	80,000	122,770	-	122,770	42,770
Miscellaneous	1,841,910	2,541,305	1,962,725	-	1,962,725	(578,580)
Total revenues	<u>26,861,360</u>	<u>28,873,525</u>	<u>29,374,542</u>	<u>-</u>	<u>29,374,542</u>	<u>501,017</u>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Public safety -</b>						
Personal services and related benefits	15,420,338	16,147,798	16,518,956	-	16,518,956	(371,158)
Operating services	4,164,525	4,369,190	4,256,702	-	4,256,702	112,488
Operations and maintenance	5,587,200	6,737,632	6,806,465	-	6,806,465	(68,833)
Travel	500	-	-	-	-	-
Debt service	937,700	926,950	926,948	-	926,948	2
Capital outlay	585,000	363,000	648,601	(3,453)	645,148	(282,148)
Total expenditures	<u>26,695,263</u>	<u>28,544,570</u>	<u>29,157,672</u>	<u>(3,453)</u>	<u>29,154,219</u>	<u>(609,649)</u>
Excess (deficiency) of revenues over expenditures	<u>166,097</u>	<u>328,955</u>	<u>216,870</u>	<u>3,453</u>	<u>220,323</u>	<u>(108,632)</u>
Fund balance, beginning	<u>8,157,282</u>	<u>8,414,298</u>	<u>8,699,726</u>	<u>-</u>	<u>8,414,298</u>	<u>285,428</u>
Fund balance, ending	<u>\$ 8,323,379</u>	<u>\$ 8,743,253</u>	<u>\$ 8,916,596</u>	<u>\$ 3,453</u>	<u>\$ 8,634,621</u>	<u>\$ 176,796</u>

PLAQUEMINES PARISH SHERIFF  
 Pointe-A-La-Hache, Louisiana  
 General Fund

Budgetary Comparison Schedule - Revenues  
 For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Taxes:						
Ad valorem	\$ 17,025,000	\$16,719,000	\$16,911,228	\$ -	\$16,911,228	\$ 192,228
Intergovernmental:						
Federal grants	62,000	656,638	701,825	-	701,825	45,187
Refuge revenue sharing (payment in lieu)	3,000	3,000	14,795	-	14,795	11,795
State of Louisiana -						
Revenue sharing	225,000	221,733	221,733	-	221,733	-
Poker machines	175,000	180,000	190,364	-	190,364	10,364
Supplemental pay	840,000	864,000	875,494	-	875,494	11,494
Grants	69,000	66,415	74,305	-	74,305	7,890
Total intergovernmental	<u>1,374,000</u>	<u>1,991,786</u>	<u>2,078,516</u>	<u>-</u>	<u>2,078,516</u>	<u>86,730</u>
Fees, charges, and commissions for services:						
Feeding and keeping prisoners	5,361,800	5,973,274	6,290,518	-	6,290,518	317,244
Re-entry program prisoners	550,000	815,000	880,631	-	880,631	65,631
Civil and criminal fees	464,650	579,750	638,491	-	638,491	58,741
Reimbursements from parish council	195,500	167,410	167,983	-	167,983	573
Commissary sales commissions	-	-	317,061	-	317,061	317,061
Witness fees	5,000	6,000	4,619	-	4,619	(1,381)
Total fees, charges, and commissions for services	<u>6,576,950</u>	<u>7,541,434</u>	<u>8,299,303</u>	<u>-</u>	<u>8,299,303</u>	<u>757,869</u>
Interest income	<u>43,500</u>	<u>80,000</u>	<u>122,770</u>	<u>-</u>	<u>122,770</u>	<u>42,770</u>
Miscellaneous:						
Contraband	10,000	28,000	31,285	-	31,285	3,285
Sale of assets	5,000	151,000	165,041	-	165,041	14,041
Miscellaneous	1,816,910	2,265,585	1,668,653	-	1,668,653	(596,932)
Donations	10,000	96,720	97,746	-	97,746	1,026
Total miscellaneous	<u>1,841,910</u>	<u>2,541,305</u>	<u>1,962,725</u>	<u>-</u>	<u>1,962,725</u>	<u>(578,580)</u>
Total revenues	<u>\$ 26,861,360</u>	<u>\$28,873,525</u>	<u>\$29,374,542</u>	<u>\$ -</u>	<u>\$29,374,542</u>	<u>\$ 501,017</u>

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Current:						
Public Safety -						
Personal services and related benefits:						
Sheriff's salary and expense allowance	\$ 160,338	\$ 160,338	\$ 160,338	\$ -	\$ 160,338	\$ -
Deputies' salaries	12,490,000	13,256,000	13,307,950	-	13,307,950	(51,950)
Pension and payroll taxes	<u>2,770,000</u>	<u>2,731,460</u>	<u>3,050,668</u>	<u>-</u>	<u>3,050,668</u>	<u>(319,208)</u>
Total personnel service and related benefits	<u>15,420,338</u>	<u>16,147,798</u>	<u>16,518,956</u>	<u>-</u>	<u>16,518,956</u>	<u>(371,158)</u>
Operating services:						
Hospitalization insurance	2,900,000	3,095,500	2,483,656	-	2,483,656	611,844
Hospitalization reinsurance/admin. fee	-	-	637,908	-	637,908	(637,908)
Life insurance	240,000	202,000	209,026	-	209,026	(7,026)
Auto insurance	285,500	305,000	299,370	-	299,370	5,630
Deputy liability insurance	288,000	290,000	314,448	-	314,448	(24,448)
Other liability insurance	<u>451,025</u>	<u>476,690</u>	<u>312,294</u>	<u>-</u>	<u>312,294</u>	<u>164,396</u>
Total operating services	<u>4,164,525</u>	<u>4,369,190</u>	<u>4,256,702</u>	<u>-</u>	<u>4,256,702</u>	<u>112,488</u>
Operations and maintenance:						
Auto fuel and oil	775,650	820,600	831,718	-	831,718	(11,118)
Auto maintenance	350,000	358,000	375,130	-	375,130	(17,130)
Deputy uniforms, supplies, etc.	270,000	334,650	336,618	-	336,618	(1,968)
Office supplies and expenses	492,000	599,572	519,076	-	519,076	80,496
Recordation expenses	20,000	20,000	18,060	-	18,060	1,940
Leases and rentals	113,600	164,150	152,479	-	152,479	11,671
Utilities	586,000	593,250	495,839	-	495,839	97,411
Commissary	2,000	3,000	3,792	-	3,792	(792)
Telephone	130,000	107,000	107,800	-	107,800	(800)
Prisoner feeding and maintenance	1,531,200	1,600,000	1,715,459	-	1,715,459	(115,459)
Legal fees	50,000	45,000	37,039	-	37,039	7,961
Other professional fees	579,500	1,017,067	989,805	-	989,805	27,262
Emergency funds/hurricane expenses	-	193	192	-	192	1
Criminal investigation expense	40,000	50,000	52,972	-	52,972	(2,972)
Equipment maintenance	223,500	422,750	426,322	-	426,322	(3,572)
Boat and computer maintenance	187,000	132,500	117,564	-	117,564	14,936
Witness fees	2,000	1,000	800	-	800	200
Membership dues	34,000	127,700	127,085	-	127,085	615
Grant expenses	30,000	118,328	127,920	-	127,920	(9,592)
Other	<u>170,750</u>	<u>222,872</u>	<u>370,795</u>	<u>-</u>	<u>370,795</u>	<u>(147,923)</u>
Total operations and maintenance	<u>5,587,200</u>	<u>6,737,632</u>	<u>6,806,465</u>	<u>-</u>	<u>6,806,465</u>	<u>(68,833)</u>

(continued)

PLAQUEMINES PARISH SHERIFF  
 Pointe-A-La-Hache, Louisiana  
 General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
 For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Travel	500	-	-	-	-	-
Debt service:						
Interest	367,700	381,950	381,948	-	381,948	2
Bond principal payments	570,000	545,000	545,000	-	545,000	-
Total debt service	937,700	926,950	926,948	-	926,948	2
Capital outlay:						
Equipment	585,000	363,000	648,601	(3,453)	645,148	(282,148)
Total capital outlay	585,000	363,000	648,601	(3,453)	645,148	(282,148)
Total expenditures	\$26,695,263	\$28,544,570	\$29,157,672	\$ (3,453)	\$29,154,219	\$ (609,649)

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2019

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.524730%	\$ 6,037,939	\$ 9,570,338	63.09%	87.34%
2016	1.579899%	7,042,427	10,479,675	67.20%	86.61%
2017	1.627864%	10,331,882	11,117,371	92.93%	82.10%
2018	1.612011%	6,980,449	11,165,492	62.52%	88.49%
2019	1.717804%	6,587,175	11,823,187	55.71%	90.41%

\* 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.*

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Employer's Contributions  
For the Year Ended June 30, 2019

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 1,493,354	\$ 1,493,354	\$ -	\$ 10,479,675	14.25%
2016	1,528,639	1,528,639	-	11,117,371	13.75%
2017	1,479,428	1,479,428	-	11,165,492	13.25%
2018	1,507,456	1,507,456	-	11,823,187	12.75%
2019	1,525,170	1,525,170	-	12,450,366	12.25%

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Changes in the Sheriff's Total OPEB Liability and Related Ratios  
For the Year Ended June 30, 2019

	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Total OPEB Liability:</b>			
<b>Beginning total OPEB liability</b>	\$ 26,936,857	\$ 28,601,349	\$ 34,047,695
Service cost	681,207	752,735	1,003,163
Interest	1,616,211	1,692,533	1,293,440
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(632,926)	(554,619)	1,831,813
Changes of assumptions	-	4,340,624	2,193,337
Benefit payments	-	(784,927)	(1,250,929)
Net change in total OPEB liability	<u>1,664,492</u>	<u>5,446,346</u>	<u>5,070,824</u>
<b>Ending total OPEB liability (A)</b>	<u>\$ 28,601,349</u>	<u>\$ 34,047,695</u>	<u>\$ 39,118,519</u>
<b>Plan Fiduciary Net Position:</b>			
<b>Beginning plan fiduciary net position</b>	\$ 950,852	\$ 1,208,848	\$ 1,028,246
Contributions - employer	1,127,126	1,152,837	-
Net investment income	77,996	78,801	57,978
Benefit payments	(947,126)	(1,402,837)	(250,000)
Administrative expense	-	(9,403)	(7,730)
Net change in plan fiduciary net position	<u>257,996</u>	<u>(180,602)</u>	<u>(199,752)</u>
<b>Plan fiduciary net position - ending (B)</b>	<u>\$ 1,208,848</u>	<u>\$ 1,028,246</u>	<u>\$ 828,494</u>
 Net OPEB Liability (A - B)	 <u>\$ 27,392,501</u>	 <u>\$ 33,019,449</u>	 <u>\$ 38,290,025</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 4.23%	 3.02%	 2.12%
 Covered-employee payroll	 \$ 9,587,539	 \$ 10,512,281	 \$ 10,932,773
 Sheriff's net OPEB liability as a percentage of covered-employee payroll	 285.71%	 314.10%	 350.23%
 Money-weighted rate of return on investments	 8.20%	 5.77%	 4.88%

Note to Schedule:

*This schedule is intended to cover 10 fiscal years. As each year ensues in the future, the information will be added until the schedule covers 10 years.*

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Employer's OPEB Contributions  
For the Year Ended June 30, 2019

Year ended June 30,	Actuarially Required Contribution	Contributions in Relation to Actuarially Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2017	\$ 2,580,395	\$ 1,062,600	\$ 1,517,795	\$ 9,587,539	11.08%
2018	2,742,770	534,927	2,207,843	10,512,281	5.09%
2019	2,882,656	1,000,929	1,881,727	10,932,773	9.16%

Notes to Schedule:

*Actuarial cost method: Individual Entry Age Normal*

*Amortization method: Level dollar, open*

*Amortization period: 30 years*

*Asset valuation method: Market value*

*Inflation: 2.5% annually*

*Healthcare trend: Flat 5.5% annually*

*Salary increases: 4.0% annually*

*Discount rate: 3.87% annually (beginning of year); 3.50% (end of year)*

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

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to the Required Supplementary Information  
For the Year Ended June 30, 2019

(1) Budget and Budgetary Accounting

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

1. The chief administrative deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. Budgetary comparisons presented for the General Fund in the accompanying financial statements are on this non-GAAP budgetary basis. Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff.

(2) 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.

(3) OPEB Plan

Benefit Changes – None

Discount rate – Rate decreased from 3.87% at the beginning of the year to 3.50% at the end of the year.

**OTHER SUPPLEMENTARY INFORMATION**

STATE OF LOUISIANA, PARISH OF PLAQUEMINES

AFFIDAVIT

Gerald A. Turlich, Jr., Sheriff of Plaquemines

BEFORE ME, the undersigned authority, personally came and appeared, Gerald A. Turlich, Jr., the sheriff of Plaquemines Parish, State of Louisiana, who after being duly sworn, deposed and said:

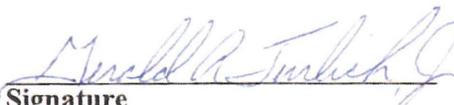
The following information is true and correct:

\$2,992,658 is the amount of cash on hand in the tax collector account on June 30, 2019;

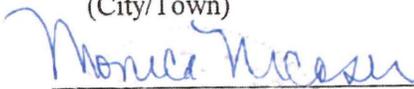
He further deposed and said:

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

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

  
Signature  
Sheriff of Plaquemines

SWORN to and subscribed before me, Notary, this 7<sup>th</sup> day of November 2019, in my office in the Belle Chasse, Louisiana.  
(City/Town)

  
\_\_\_\_\_  
(Signature)  
MONICA NICOSIA (Print), # 81045  
Notary Public  
Ex-Officio Notary (Commission)

Monica Nicosia #81045  
Ex-Officio Notary  
Plaquemines Parish Sheriff's Office

**INTERNAL CONTROL  
COMPLIANCE  
AND  
OTHER MATTERS**

# Champagne & Company, LLC

## Certified Public Accountants

Russell F. Champagne, CPA, CGMA\*  
Penny Angelle Scruggins, CPA, CGMA\*

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

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PO Box 250  
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\*A Professional Accounting Corporation

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

The Honorable Gerald A. Turlich, Jr.  
Plaquemines Parish Sheriff  
Pointe-A-La-Hache, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plaquemines Parish Sheriff, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Plaquemines Parish Sheriff's basic financial statements and have issued our report thereon dated December 13, 2019.

#### **Internal Control over Financial Reporting**

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

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

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

accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Plaquemines Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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

The Plaquemines Parish Sheriff's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Plaquemine Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

***Champagne & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
December 13, 2019

# Champagne & Company, LLC

## Certified Public Accountants

Russell F. Champagne, CPA, CGMA\*  
Penny Angelle Scruggins, CPA, CGMA\*

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Gerald A. Turlich, Jr.  
Plaquemines Parish Sheriff  
Pointe-A-La-Hache, Louisiana

#### **Report on Compliance for Each Major Federal Program**

We have audited the Plaquemines Parish Sheriff's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Plaquemine Parish Sheriff's major federal programs for the year ended June 30, 2019 . Plaquemines Parish Sheriff's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings, questioned costs and management's corrective action plan.

#### **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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Plaquemines Parish Sheriff's major federal programs 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 Plaquemines Parish 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 each major federal program. However, our audit does not provide a legal determination of Plaquemines Parish Sheriff's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Plaquemines Parish Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control over Compliance**

Management of the Plaquemines Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Plaquemines Parish Sheriff's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 Plaquemines Parish 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 requirements of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

***Champagne & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
December 13, 2019

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2019

1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Plaquemines Parish Sheriff (the Sheriff). The Sheriff's reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2019. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The major program is identified with an asterisk (\*) on the schedule.

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, 2019.

3) Indirect Cost Rate

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

4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

<u>Federal Grantor/Pass-Through Grantor/Program Name/Grant Name</u>	<u>Pass-through Identifying Number</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<u>United States Department of Homeland Security</u>			
Passed through Louisiana Office of Homeland Security and Emergency Preparedness -			
Disaster Grants - Public Assistance *	**	97.036	\$ 1,690,524
Port Security Grant Program	**	97.056	146,873
Passed through the Plaquemines Parish Government			
State Homeland Security Grant Program	EMW-2016-SS-00018-S01	97.067	<u>8,114</u>
Total United States Department of Homeland Security			<u>1,845,511</u>
 <u>United States Department of Transportation</u>			
Passed through Louisiana Highway Safety Commission -			
State and Community Highway Safety/Overtime Traffic Safety Program	2018-30-46	20.600	<u>8,422</u>
 <u>United States Department of Justice</u>			
Passed through Louisiana Commission on Law Enforcement -			
Edward Byrne Memorial Justice Assistant Grant Program/Bullet Proof Vest Program	2017-BVP	16.738	7,667
Crime Victim Assistance Program	2017-VA-01/02/03/04-4476	16.575	45,224
Law Enforcement Assistance Narcotics and Dangerous Drugs Laboratory Analysis	SE-LA-0287	16.001	<u>65,018</u>
Total United States Department of Justice			<u>117,909</u>
 Total			 <u>\$ 1,971,842</u>

\* - Denotes major program

\*\* - Not readily accessible

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan  
For the Year Ended June 30, 2019

Part I: Summary of Auditors' Results:

1. An unmodified opinion was issued on the financial statements.
2. There was one material weakness in internal control disclosed by the audit of the financial statements.
3. There were no instances of material noncompliance disclosed.
4. No material weaknesses or significant deficiencies in internal control over the major program were disclosed by the audit of the financial statements.
5. An unmodified opinion was issued on compliance for the major program.
6. The audit disclosed no findings required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance.
7. The major program was:  
U.S. Dept. of Homeland Security: Disaster Grants – Public Assistance
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

Part II: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

2019-001 – Inadequate Segregation of Accounting Functions; Year Initially Occurred – Unknown

Condition and Criteria:

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

Effect:

This condition represents a material weakness in the internal control of the Sheriff's department.

Cause:

The condition resulted because of the small number of employees in the accounting department.

(continued)

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan (Continued)  
For the Year Ended June 30, 2019

Recommendation:

No plan is considered necessary due to the fact that it would not be cost effective to implement a plan.

Management's Corrective Action Plan:

Sheriff Gerald A. Turlich, Jr., decided that it is not cost effective to achieve complete segregation of accounting duties. No plan is considered necessary.

Part III: Findings and questioned costs for Federal awards which include audit findings as defined by Uniform Guidance (2 CFR 200.516 (a)):

There are no findings and questioned costs at June 30, 2019.

Part IV: Management Letter Items

There are no management letter items at June 30, 2019.

PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2019

Section I: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

2018-001 – Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 2019-001.

Section II: Findings and questioned costs for Federal awards which include audit findings as defined in Section 501(a) of Uniform Guidance:

There were no findings or questioned costs at June 30, 2018.

Section II: Management Letter Items

There were no management items at June 30, 2018.

**SHERIFF AND TAX COLLECTOR'S OFFICE  
PLAQUEMINES PARISH**

8022 HIGHWAY 23  
BELLE CHASSE,  
LOUISIANA 70037

**GERALD A TURLICH JR.**  
Sheriff and Ex-Officio  
Tax Collector

504-934-6892  
Fax 504-433-4456

December 13, 2019

Champagne & Co., LLC  
113 East Bridge Street  
Breaux Bridge, LA 70517

The Plaquemines Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2019.

Independent public accounting firm:

Champagne & Co., LLC  
113 East Bridge Street  
Breaux Bridge, LA 70517

Audit period: Fiscal year ended June 30, 2019

The finding from the June 30, 2019 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

Findings – Financial Statement Audit: Material Weakness

2019-001-Inadequate Segregation of Accounting Functions: Year Initially Occurred-Unknown

Recommendation: No plan is considered necessary due to the fact that it would not be cost effective to implement a plan.

Action Taken: Sheriff Gerald A. Turlich, Jr. determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

If there are any questions regarding this plan, please call Monica Nicosia, Chief Deputy Tax Collector, at 504-934-6892.

Sincerely,



Gerald A Turlich, Jr.  
Sheriff

**PLAQUEMINES PARISH SHERIFF  
Pointe-A-La-Hache, Louisiana**

**State-wide Agreed-Upon Procedures Report**

**Year Ended June 30, 2019**

# Champagne & Company, LLC

Certified Public Accountants

Russell F. Champagne, CPA\*  
Penny Angelle Scruggins, CPA\*

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

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\*A Professional Accounting Corporation

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of Plaquemines Parish Sheriff and the Louisiana Legislative Auditor,

We have performed the procedures enumerated below, which were agreed to by the management of Plaquemines Parish Sheriff and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The management of Plaquemines Parish Sheriff is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

*Written Policies and Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2). However, since the disaster recovery policy is new in Year 3, this policy was tested. See k) below.*

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*Written policies and procedures were obtained and address the functions noted above.*

### ***Board or Finance Committee***

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

*The Sheriff's Office is not required to maintain minutes; therefore, these steps are not applicable.*

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

### ***Bank Reconciliations***

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

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

*For four of the five accounts tested, reconciliations did not include evidence that they were prepared within 2 months of the statement closing date. These four accounts have minimal activity and an insignificant amount of money in them.*

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

*Obtained bank statements and reconciliations for December 2018, noting no evidence of management review for four of the five bank accounts tested. These four accounts have minimal activity and an insignificant amount of money in them.*

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

*No exceptions noted.*

### ***Collections (excluding EFTs)***

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

*Obtained listing of deposit sites and management's representation that listing is complete.*

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

*Obtained listing of collection locations for each deposit site and management's representation that the listing is complete. Obtained written representation and procedures relating to employee job duties.*

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*No exceptions noted.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

*No exceptions noted.*

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exceptions noted.*

- c) Trace the deposit slip total to the actual deposit per the bank statement.

*No exceptions noted.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*Of the deposits selected, 4 collections were not deposited within one business day of receipt. For these deposits, remittances did not have the date collected so we had to use a collection date based on the date of the check. We believe collections were received later than this date; however, without indication of the date received, we are unable to determine the true collection date.*

- e) Trace the actual deposit per the bank statement to the general ledger.

*No exceptions noted.*

***Non-Payroll Disbursements (excluding credit card purchases/payments, travel reimbursements, and petty cash purchases)***

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

*Non-Payroll Disbursements Procedures were not tested at June 30, 2019 (Year 3) due to the fact that there were no exceptions noted in the prior year (Year 2).*

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported].
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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

*Credit Cards/Debit Cards/Fuel Cards/P-Card Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to

testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

#### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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

*Travel and Travel-Related Expense Reimbursement Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedures #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

#### ***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:

*Contract Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

## ***Payroll and Personnel***

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

*Payroll and Personnel Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and;
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portion of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

## ***Ethics***

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20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

*Ethics Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

### ***Debt Service***

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21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

*Debt Service Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

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

### ***Other***

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*Other Procedures were not tested at June 30, 2019 (Year 3) due to the fact that this area was not tested in prior year (Year 2).*

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

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

***Champagne & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
December 13, 2019

PLAQUEMINES PARISH SHERIFF

Pointe-A-La-Hache, Louisiana

Management's Response to Statewide Agreed-Upon Procedures

For the Year Ended June 30, 2019

Management's Response to Item:

- 3a. Exception relates to no evidence of bank reconciliations being prepared within 2 months of the related statement closing date for 4 of the 5 checking accounts tested. Reconciliations were prepared for the month chosen but no preparation date was indicated. Individual that prepares those 4 bank reconciliations will begin indicating the date of preparation effective November 2019. We would like to note that the Sheriff's office has a total of 18 checking accounts. We are confident that the 13 accounts not chosen for testing were timely reconciled and dated accordingly.
- 3b. Exception related to no evidence of management review of the bank reconciliations on 4 of the 5 checking accounts tested. Management will begin reviewing these 4 bank reconciliations and indicating such, effective November 2019. We would like to note that the Sheriff's office has a total of 18 checking accounts. We are confident that the 13 accounts not chosen for testing had evidence of management review.
- 7d Exception relates to timely deposits on 3 of the 5 checking accounts tested. Management will begin marking the date received on all remittances, which will provide a "true" collection date. We would like to note that the Sheriff's office has a total of 18 checking accounts. We are confident that deposits were made timely for the 13 accounts not chosen for testing.