

EISNERAMPER

ST. JOHN THE BAPTIST PARISH SHERIFF'S
OFFICE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2023



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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff (the "Sheriff") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the other post-employment benefit obligation information, and net pension liability related information on pages 38 - 43, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The Sheriff's Affidavit, Schedule of Compensation, Benefits, and Other Payments to Agency Head, the Justice System Funding Schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 17, 2024



ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
<u>ASSETS</u>	
Cash and cash equivalents	\$ 10,979,995
Accounts receivable	455,592
Due from other governments	5,634,625
Inventory	1,997
Prepaid expenses	85,572
Capital assets, net	25,399,753
Total assets	<u>42,557,534</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension deferrals	12,307,533
OPEB deferrals	15,085,903
Total deferred outflows of resources	<u>27,393,436</u>
<u>LIABILITIES</u>	
Accounts payable	998,546
Accrued liabilities:	
Salaries, wages, payroll taxes, and retirement contributions	1,296,987
<u>LONG TERM LIABILITIES</u>	
Due within one year	
Bonds, leases, financed purchases, compensated absences and claims payable	3,224,760
Total other post-employment benefit liability	959,027
Long term liabilities, net of current portion	
Bonds, leases, financed purchases, compensated absences and claims payable	13,414,863
Net pension liability	15,762,202
Total other post-employment benefit liability	20,050,835
Total liabilities	<u>55,707,220</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Resources received before time requirements	2,100,772
Pension deferrals	965,969
OPEB deferrals	7,487,783
Total deferred inflows of resources	<u>10,554,524</u>
<u>NET POSITION</u>	
Net investment in capital assets	10,304,155
Unrestricted (deficit)	(6,614,929)
Total net position (deficit)	<u>\$ 3,689,226</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

		Program Revenues		
	Expenses	Operating Charges for Services	Grants and Contributions	Governmental Activities
Primary government:				
Governmental activities:				
Public safety:				
Personal services and related benefits	\$ 26,969,204	\$ 2,756,325	\$ 896,671	\$ (23,316,208)
Operating services	1,802,129	597,363	1,038,216	(166,550)
Operations and maintenance	12,093,096	602,908	-	(11,490,188)
Travel	4,651	-	-	(4,651)
Interest and fiscal charges	444,606	-	-	(444,606)
Total governmental activities	<u>\$ 41,313,686</u>	<u>\$ 3,956,596</u>	<u>\$ 1,934,887</u>	<u>(35,422,203)</u>

General revenues:	
Property taxes, levied for general purposes	26,360,910
Sales and use taxes, levied for general purposes	5,633,143
State revenue sharing	367,878
State grants not restricted to specific program	1,136,182
Video poker revenue	744,726
Fines, forfeitures, and other	563,042
Interest and investment earnings	569,867
Net gain on asset disposals and lease liability terminations	276,290
Miscellaneous	259,927
Total general revenues	<u>35,911,965</u>
Change in net position	489,762
Net position, beginning of year	<u>3,199,464</u>
Net position, end of year	<u>\$ 3,689,226</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2023

	General Fund	Non-Major Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash and cash equivalents	\$ 10,369,657	\$ 610,338	\$ 10,979,995
Accounts receivable	455,592	-	455,592
Due from other governmental units	5,634,625	-	5,634,625
Inventory	1,997	-	1,997
Prepaid expenses	85,572	-	85,572
 TOTAL ASSETS	 <u>\$ 16,547,443</u>	 <u>\$ 610,338</u>	 <u>\$ 17,157,781</u>
 <u>LIABILITIES</u>			
Accounts payable	\$ 885,831	\$ 112,715	\$ 998,546
Accrued liabilities	1,296,987	-	1,296,987
 TOTAL LIABILITIES	 <u>2,182,818</u>	 <u>112,715</u>	 <u>2,295,533</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable revenue	574,062	-	574,062
Resources received before time requirements	2,100,772	-	2,100,772
 TOTAL DEFERRED INFLOWS	 <u>2,674,834</u>	 <u>-</u>	 <u>2,674,834</u>
 <u>FUND BALANCE</u>			
Nonspendable	87,569	-	87,569
Restricted	-	497,623	497,623
Unassigned	11,602,222	-	11,602,222
 TOTAL FUND BALANCE	 <u>11,689,791</u>	 <u>497,623</u>	 <u>12,187,414</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	 <u>\$ 16,547,443</u>	 <u>\$ 610,338</u>	 <u>\$ 17,157,781</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balance at June 30, 2023 - Governmental Fund		\$	12,187,414
Cost of capital assets at June 30, 2023	\$	45,997,039	
Less: Accumulated Depreciation as of June 30, 2023	<u>(20,597,286)</u>		25,399,753
Deferred outflows of resources - OPEB deferrals			15,085,903
Deferred outflows of resources - pension deferrals			12,307,533
Deferred inflows of resources - OPEB deferrals			(7,487,783)
Deferred inflows of resources - pension deferrals			(965,969)
Long-term non-current liabilities at June 30, 2023			
Compensated Absences	\$	(578,383)	
Financed purchases payable		(2,411,347)	
Lease liability		(2,457,167)	
Claims and judgements		(468,019)	
Bonds payable and premiums		(10,724,707)	
Net pension liability		(15,762,202)	
Total OPEB liability	<u>(21,009,862)</u>		(53,411,687)
Difference in revenue recognition on the modified accrual basis as reported in the fund statements versus revenue recognition on the full accrual basis.			<u>574,062</u>
Total net position - Governmental Activities		\$	<u>3,689,226</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2023

	General Fund	Non-Major Funds	Total Governmental Funds
<u>REVENUES</u>			
Taxes	\$31,994,053	\$ -	\$ 31,994,053
Intergovernmental revenues	5,611,910	-	5,611,910
Fees, charges and commissions for services	4,519,638	-	4,519,638
Interest income	565,290	4,577	569,867
Miscellaneous	259,927	-	259,927
 TOTAL REVENUES	 42,950,818	 4,577	 42,955,395
<u>EXPENDITURES</u>			
Current:			
Public safety			
Personnel services and related benefits	24,334,101	-	24,334,101
Operating services	1,802,129	-	1,802,129
Operating and maintenance	8,168,019	50,511	8,218,530
Travel	4,651	-	4,651
Capital outlay	2,584,635	677,324	3,261,959
Debt service:			-
Principal	3,049,856	-	3,049,856
Interest and fiscal charges	591,559	-	591,559
 TOTAL EXPENDITURES	 40,534,950	 727,835	 41,262,785
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 2,415,868	 (723,258)	 1,692,610
 OTHER FINANCING SOURCES (USES)			
Sale of assets	296,793	-	296,793
Lease proceeds	762,758	-	762,758
 TOTAL OTHER FINANCING SOURCES (USES)	 1,059,551	 -	 1,059,551
 NET CHANGE IN FUND BALANCE	 3,475,419	 (723,258)	 2,752,161
 FUND BALANCE AT BEGINNING OF YEAR	 8,214,372	 1,220,881	 9,435,253
 FUND BALANCE AT END OF YEAR	 \$11,689,791	 \$ 497,623	 \$ 12,187,414

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
RECONCILIATION OF GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Total net change in fund balance - Governmental Fund		\$ 2,752.161
Capital Assets:		
Capital outlays capitalized	3,261,959	
Depreciation expense	(3,863,854)	
Net book value of assets disposed	<u>(70,630)</u>	(672,525)
Change in deferred outflows of resources - pension deferrals		7,250,839
Change in deferred outflows of resources - OPEB deferrals		2,969,301
Change in deferred inflows of resources - pension deferrals		8,776,856
Change in deferred inflows of resources - OPEB deferrals		1,066,356
Long-term liabilities		
Change in claims and judgements payable	(10,712)	
Payments on financed purchases	1,592,743	
Change in liabilities for compensated absences	35,382	
New lease liability	(762,758)	
Lease liability change due to terminations	50,127	
Payments on lease liability	890,254	
Principal payments on long-term debt	580,000	
Amortization of bond premiums	133,812	
Change in net pension asset (liability)	(16,669,968)	
Change in total OPEB liability	<u>(5,167,198)</u>	(19,328,318)
Revenues of activities that do not provide current financial resources are not reported as revenues in the funds		
Disaster recovery grants		<u>(2,324,908)</u>
Total changes in net position for year ended June 30, 2023		<u><u>\$ 489,762</u></u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	Custodial Funds				
	Civil Funds	Tax Collectors Fund	Prison Inmate Funds	Bond Funds	Total
<u>ASSETS</u>					
Cash and cash equivalents	\$ 272,139	\$ 774,301	\$ 156,573	\$ 1,867,942	\$ 3,070,955
Total assets	<u>\$ 272,139</u>	<u>\$ 774,301</u>	<u>\$ 156,573</u>	<u>\$ 1,867,942</u>	<u>\$ 3,070,955</u>
<u>LIABILITIES</u>					
Due to taxing bodies and others:					
Due to taxing bodies	\$ -	\$ 774,301	\$ -	\$ -	\$ 774,301
Due to individuals and other organizations	272,139	-	156,573	164,125	592,837
Total liabilities	<u>272,139</u>	<u>774,301</u>	<u>156,573</u>	<u>164,125</u>	<u>1,367,138</u>
<u>NET POSITION</u>					
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,703,817</u>	<u>1,703,817</u>
Total liabilities and net position	<u>\$ 272,139</u>	<u>\$ 774,301</u>	<u>\$ 156,573</u>	<u>\$ 1,867,942</u>	<u>\$ 3,070,955</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2023

	Custodial Funds				
	Civil Funds	Tax Collectors Fund	Prison Inmate Funds	Bond Funds	Total
<u>ADDITIONS</u>					
Sheriff sales	\$ -	\$ -	\$ -	\$ -	\$ -
Garnishments	364,644	-	-	-	364,644
Surety bonds	-	-	-	501,655	501,655
Fines and court costs	-	-	-	1,636,982	1,636,982
Seizures and forfeitures	847,154	-	-	-	847,154
Taxes, fees, etc. collections	-	74,370,554	-	-	74,370,554
Interest income	166	5,479	4	6,519	12,168
Prisoner deposits	-	-	476,225	-	476,225
Other fees	-	-	-	590	590
Total additions	<u>1,211,964</u>	<u>74,376,033</u>	<u>476,229</u>	<u>2,145,746</u>	<u>78,209,972</u>
<u>DEDUCTIONS</u>					
Taxes, fees, etc. distributed to taxing bodies and others	836,409	74,157,365	-	1,593,646	76,587,420
Payments to litigants, etc.	375,555	-	-	-	375,555
Fees to entities	-	-	437,620	253,738	691,358
Surety bond refunds	-	-	-	262,943	262,943
Refunds to released inmates and prisoner program disbursements	-	-	38,609	-	38,609
Authorized program disbursements	-	280,201	-	15,161	295,362
Total deductions	<u>1,211,964</u>	<u>74,437,566</u>	<u>476,229</u>	<u>2,125,488</u>	<u>78,251,247</u>
Net increase (decrease) in fiduciary net position	-	(61,533)	-	20,258	(41,275)
<u>NET POSITION, BEGINNING</u>	<u>-</u>	<u>61,533</u>	<u>-</u>	<u>1,683,559</u>	<u>1,745,092</u>
<u>NET POSITION, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,703,817</u>	<u>\$ 1,703,817</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the St. John the Baptist Parish Sheriff (the "Sheriff") serves a four-year term as the Chief Executive Officer of the law enforcement district and ex-officio tax collector of the St. John the Baptist Parish (the "Parish"). The Sheriff administers the Parish jail system and exercises duties required by the Parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

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

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

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

A. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The statement of net position and the statement of activities display information about the primary government (the Sheriff). These statements include the financial activities of the overall government, except for fiduciary activities, displayed for governmental activities.

- *Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. 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. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

FUND FINANCIAL STATEMENTS (FFS):

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds.

The Sheriff reports the following major governmental fund:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for and reports all operations of the Sheriff's office not accounted for and reported in another fund. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include one fourth (1/4) cent sales tax, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

The Sheriff reports the following non-major governmental funds:

Capital Projects Funds

Construction funds were created by bond issuances for the purpose of acquiring, constructing, improving, and renovating law enforcement buildings and other facilities and acquiring vehicles, equipment, and furnishings for law enforcement purposes.

The Sheriff reports the following fiduciary type:

Custodial Funds

The custodial funds are used as depositories for civil suits, cash bonds, taxes, and fees. Disbursements from these funds are made to various parish agencies and litigants in suits in the manner prescribed by law.

The individual custodial funds used by the Sheriff for the year ended June 30, 2023 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 parish agencies and other entities in accordance with applicable laws.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

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

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

Bond Fund -To account for the collection of bonds, fines, and costs and payment of these collections to parish agencies and other entities in accordance with applicable laws.

B. REPORTING ENTITY

The Sheriff is considered a primary government since it is a special purpose government. The Sheriff is elected, is legally separate, and is fiscally independent of other state or local governments. The Sheriff has no component units as defined by GASB Codification Section 2100 as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The Governmental Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Sheriff gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers tax revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, and interest are considered to be susceptible to accrual. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received within the availability period for this revenue source. The availability period is six months after year end for expenditure driven grants. Other revenues susceptible to accrual are intergovernmental revenues and grants. Fines and charges for services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to be liquidated with expendable, available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

D. **BUDGET PRACTICES**

The proposed budget for the year ended June 30, 2023, was made available for public inspection and comments from taxpayers at the sheriff's office during June 2022. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 10 days prior to the public hearing, which was held at the Sheriff's office, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the Sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying required supplemental information include the original adopted budget and all subsequent amendments.

E. **INTERFUND ACTIVITY**

Interfund activities between governmental funds are eliminated on the government wide financial statements. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Interfund transactions are reported as transfers.

F. **CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposit accounts, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and other investments with original maturities of 90 days or less. Under state law, the Sheriff may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

G. **INVESTMENTS**

Investments are limited by Louisiana Revised Statute and the Sheriff's investment policy which allows for investment in obligations of the U. S. Treasury and U. S. Agencies, certificates of deposit, and investment grade commercial paper of domestic United States corporations and other allowable investments. Investments are carried at fair market value as of the balance sheet date.

H. **RECEIVABLES AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. RECEIVABLES AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS (continued)

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available, which would indicate the uncertainty associated with collectability of the particular receivable. At June 30, 2023, none of the Governmental Activities receivables were considered to be uncollectible.

I. CAPITAL ASSETS

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

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

The range of estimated useful lives by type of asset is as follows:

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

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

Capital assets are reviewed to evaluate prominent events or changes in circumstances to determine whether impairment of capital assets has occurred. The Sheriff follows the guidance in GASB 42, as applicable, to record the effects of capital asset impairments.

J. LEASES

The Sheriff is a lessee under noncancellable lease agreements for vehicles. In accordance with GASB Statement No. 87, *Leases*, the Sheriff recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. Lease liabilities are recorded for lease contracts with an initial individual value that is material to the financial statements and with lease periods greater than one year.

At the commencement of a lease, the Sheriff initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

J. **LEASES** (continued)

The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or the lease term. Key estimates and judgments related to leases include (1) the discount rate used to calculate the present value of expected lease payments, (2) lease term, and (3) lease payments.

- The Sheriff uses the interest rate charged by the lessor as the discount rate, if provided. When the interest rate charged by the lessor is not provided, the Sheriff uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms includes the noncancellable period of the lease and optional renewal periods. Lease payments included in the measurement of the lease liability are composed of fixed payments through the noncancellable term of the lease and renewal periods that management considers reasonably certain to be exercised.

The Sheriff monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the statement of net position.

K. **COMPENSATED ABSENCES**

Employees of the Sheriff's office who are employed from zero to 6 years are eligible to receive 6 to 12 days of vacation leave each year. In addition to receiving the 6 to 12 days of vacation leave for each year, employees can earn an additional 8 hours of vacation leave for each year of employment in excess of 6 years. Also, employees can earn from 6 to 9 days of sick leave each year. Vacation and sick leave in excess of 25 and 20 days, respectively, is forfeited on June 30 of each year. Vacation leave (up to 25 days of carryover plus amounts earned in current year plus any additional bonus hours) earned by employees is paid upon retirement or termination. Sick leave earned by employees accumulates as noted above, but does not vest, and is forfeited upon retirement or termination.

At June 30, 2023, the Sheriff's employees had accumulated and vested \$578,383 in vacation leave privileges required to be accrued in accordance with GASB Codification Section C60.

L. **RISK MANAGEMENT**

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error, and omissions. To handle such risk of loss, the Sheriff maintains commercial insurance policies, workers' compensation insurance, and surety bond coverage. There were no significant reductions in insurance coverage during the year ended June 30, 2023.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

M. **ESTIMATES**

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

N. **NET POSITION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide net position is divided into three components:

Net investment in capital assets – Consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.

Restricted net position – Net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Parish's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

O. **FUND EQUITY OF FUND FINANCIAL STATEMENTS**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

O. **FUND EQUITY OF FUND FINANCIAL STATEMENTS** (continued)

Assigned – represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the Sheriff reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

P. **PENSION PLAN**

The Sheriff is a participating employer in the Louisiana Sheriffs' Pension and Relief Fund (the "Fund") as described in Note 10. 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 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 recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the Fund.

Q. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 8 for additional information on deferred outflows of resources related to defined benefit pension plans, and Note 9 for additional information on deferred outflows of resources related to other post-employment benefits.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. See Note 8 for additional information on deferred inflows of resources related to defined benefit pension plans, and Note 9 for additional information on deferred inflows of resources related to other post-employment benefits and Note 11 for additional information on resources received before time requirements are met.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Q. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES** (continued)

As described in Note 1C, the governmental funds are reported using the current financial resources measurement focus. At times, the Sheriff is awarded a grant and the eligibility requirements have been met, such as incurring the eligible costs, but the funds have not been received during the availability period. The availability period represents the time period for which funds are available to meet current obligations. The Sheriff considers this time period to be six months from the end of the fiscal year. When this occurs, the Sheriff recognizes a receivable and a corresponding deferred in-flow in the fund financials.

R. **NEWLY ADOPTED ACCOUNTING STANDARD**

The Sheriff implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard is intended to streamline the accounting for these types of arrangements similar to those arrangements listed under GASB 87. The adoption of this standard had no impact on the Sheriff.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

2. LEVIED TAXES

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

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2023, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 32.99 mills on property with assessed valuations totaling \$770,815,875, exclusive of homestead exemption.

Total law enforcement taxes levied during 2022 tax year were \$25,416,298. Taxes receivable in the General Fund at June 30, 2023 totaled \$206,000.

The unsettled balance due to taxing bodies and others at June 30, 2023 totaled \$59,406.

3. CASH AND CASH EQUIVALENTS

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, 2023, the Sheriff has cash and cash equivalents (book balances) totaling \$14,050,950, of which \$3,070,955 is attributable to fiduciary funds, which are presented in the fiduciary funds statement of net position.

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

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

3. CASH AND CASH EQUIVALENTS (continued)

Deposit balances (bank balances) at June 30, 2023, are secured as follows:

Total bank balance	\$ 14,259,818
Insured	\$ 868,229
Collateralized by pledging bank in Sheriff's name	13,391,589
Total insured and collateralized balance	\$ 14,259,818

As of June 30, 2023, the Sheriff's total bank balances were fully insured and collateralized with the securities held in the name of the Sheriff by the pledging financial institution's agent and, therefore, the Sheriff was not exposed to custodial credit risk.

The Sheriff invests with the Louisiana Asset Management Pool ("LAMP"). Due to the liquid nature of the pooled shares, this investment is presented with cash and cash equivalents. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana R.S. 33:2955. As of June 30, 2023, the Sheriff has \$300,000 in the Bond Fund and is included in cash and cash equivalents in the Statement of Fiduciary Net Position.

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

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity ("WAM") method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.
- Foreign currency risk: Not applicable to investment pools.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

3. CASH AND CASH EQUIVALENTS (continued)

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

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

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 650 Poydras St., Suite 2220, New Orleans, LA 70130.

4. ACCOUNTS RECEIVABLE

Amounts due from other governments at June 30, 2023, consist of the following:

Maintenance of prisoners	\$ 266,190
FEMA	2,857,546
Federal and state grants	815,255
Reimbursement for salaries	426,870
Reimbursment of expenses	99,982
Commissions on video poker	240,405
Sales tax revenue	927,533
Miscellaneous receivable	<u>844</u>
Total amounts due	<u>\$ 5,634,625</u>

Amounts due from non-governmental entities at June 30, 2023, consist of the following:

Court system receivable	\$ 15,907
Civil Receivable	5,386
Bond fees receivable	4,773
Tac Collector	121,254
Reimbursement for salaries	232,557
Miscellaneous receivable	<u>75,715</u>
Total amounts due	<u>\$ 455,592</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Governmental activities				
Cost of capital assets				
Assets not being depreciated				
Land	\$ 158,500	\$ -	\$ -	\$ 158,500
Construction in progress	469,478	677,911	(721,499)	425,890
Assets being depreciated				
Buildings	17,069,407	2,062,477	-	19,131,884
Radios	8,877,025	174,648	-	9,051,673
Equipment and vehicles	14,946,547	305,664	(2,236,011)	13,016,200
Total assets	<u>41,520,957</u>	<u>3,220,700</u>	<u>(2,957,510)</u>	<u>41,784,147</u>
Less accumulated depreciation	<u>(18,164,385)</u>	<u>(3,078,955)</u>	<u>2,219,145</u>	<u>(19,024,195)</u>
Net capital assets	<u>23,356,572</u>	<u>141,745</u>	<u>(738,365)</u>	<u>22,759,952</u>
Right-of-use lease assets	3,527,203	762,758	(77,068)	4,212,893
Less accumulated amortization	<u>(811,497)</u>	<u>(784,899)</u>	<u>23,304</u>	<u>(1,573,092)</u>
Net right-of-use assets	<u>2,715,706</u>	<u>(22,141)</u>	<u>(53,764)</u>	<u>2,639,801</u>
Total governmental activities, capital assets, net	<u>\$ 26,072,278</u>	<u>\$ 119,604</u>	<u>\$ (792,129)</u>	<u>\$ 25,399,753</u>

Depreciation of capital assets of \$3,078,955 and amortization of right-of-use assets of \$784,899 was charged to the public safety function.

As of June 30, 2023, construction in progress was comprised of expenditures totaling \$425,890 for the Narcotics Building.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES

Revenue Bonds

On August 11, 2016, the Sheriff issued \$8,885,000 of Limited Tax Revenue Bonds, Series 2016. Also, on July 15, 2020, the Sheriff issued an additional \$4,000,000 of Limited Tax Revenue Bonds. The Bonds were issued for the purpose of acquiring, constructing, improving and renovating law enforcement buildings and other facilities, acquiring land, equipment and furnishings thereof, and paying the costs of the issuance of the Bonds. Events of default are outlined in the official statement of each respective bond and include principal and interest payments delinquencies, bankruptcy, or covenant violations. These Bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of:

- (i) a special tax of 16.00 mills (such rate being subject to adjustment from time to time due to reassessment) which the Issuer is authorized to impose and collect each year within the boundaries of the District, pursuant to Section 13:5903A of the Louisiana Revised Statutes of 1950, as amended, and
- (ii) a special tax of 16.99 mills (such rate being subject to adjustment from time to time due to reassessment) which the Issuer is authorized to impose and collect each year within the corporate boundaries of the Issuer pursuant to an election held on July 19, 1998.

The following schedule reflects the amount issued for the limited tax revenue tax bonds, the outstanding balance on the bonds at June 30, 2023, and the total future interest on the bonds:

Direct Borrowings and Placements				
	Interest Rates	Maturity Date	Amount Issued	Outstanding
Series 2016	2.00 - 4.00%	3/1/2036	\$ 8,885,000	\$ 6,490,000
Series 2020	3.00 - 4.00%	3/1/2036	4,000,000	3,425,000
Total			<u>\$ 12,885,000</u>	<u>\$ 9,915,000</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES (continued)

Annual debt service to maturity is as follows:

Direct Borrowings and Placements - Bonded Debt			
Year ending June 30,	Principal Payments	Interest Payments	Total
2024	605,000	360,400	\$ 965,400
2025	625,000	337,925	962,925
2026	650,000	313,500	963,500
2027	675,000	287,000	962,000
2028	705,000	259,400	964,400
2029-2033	3,930,000	884,950	4,814,950
2034-2036	2,725,000	166,500	2,891,500
	<u>\$ 9,915,000</u>	<u>\$ 2,609,675</u>	<u>\$ 12,524,675</u>

Financed Purchases

During the year ended June 30, 2019, the Sheriff financed the purchase of radio equipment due in annual installments of \$374,117 with an interest rate of 2.99%. The net book value of the asset is \$974,379, and there is \$1,113,576 of accumulated depreciation on June 30, 2023. In the event of default, the agreement will terminate and title to the assets will vest to the vendor. If terminated for non-appropriation, title reverts to the vendor and the Sheriff agrees to return the assets. Termination for non-appropriation will not be considered a default for purposes of this agreement.

During the year ended June 30, 2021, the Sheriff financed the purchase of 175 tasers due in annual installments of \$140,137 with no interest. The net book value of the assets on June 30, 2023 is \$301,035. If a required payment is more than 30 days past due, the vendor may terminate the warranty and service plan, invoice the Sheriff for remaining payments on the assets. If terminated for non-appropriation, the vendor will not invoice the Sheriff provided the assets are returned within 30 days.

During the year ended June 30, 2021, the Sheriff financed the purchase of 240 portable radios due in annual installments of \$521,551 with an interest rate of 2.14%. The net book value of the assets at June 30, 2023 is \$725,000. In the event of default that is not cured within 30 days of default, the agreement is terminated, and the assets must be returned to the vendor and any connection and subscription services will be terminated.

During the year ended June 30, 2022, the Sheriff financed the purchase of 225 body cameras due in annual installments of \$589,273 with no interest. The net book value of the assets on June 30, 2023 is \$2,271,921. If a required payment is more than 30 days past due, the vendor may terminate the warranty and service plan, invoice the Sheriff for remaining payments on the assets. If terminated for non-appropriation, the vendor will not invoice the Sheriff provided the assets are returned within 30 days.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES (continued)

The annual requirements to amortize all financed purchases outstanding at June 30, 2023 are as follows:

Direct Borrowings and Placements - Financed Purchases			
Year ending June 30,	Principal Payments	Interest Payments	Total
2024	\$ 1,092,665	\$ 10,861	\$ 1,103,526
2025	729,409	-	729,409
2026	589,273	-	589,273
	<u>\$ 2,411,347</u>	<u>\$ 10,861</u>	<u>\$ 2,422,208</u>

Risk Management

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

The Sheriff participates in the Louisiana Sheriffs' Law Enforcement Program ("LSLEP") to cover the Law Enforcement Professional Liability and placed the Automobile Liability and Physical Damage with American Alternative Insurance Corporation through the Louisiana Sheriffs' Risk Purchasing Group, Inc. The Professional Liability policy covers \$100,000 per occurrence with a \$1,900,000 annual policy period aggregate limit with no deductible. The Automobile liability policy has a \$1,000,000 combined single limit with a \$100,000 deductible per claim. All professional liability claims made November 1, 2014 and thereafter are covered through LSLEP. Auto claims beginning August 1, 2016 are covered under the Louisiana Sheriff's Risk Purchase Group, Inc. The amount of liability recorded at June 30, 2023 (for all open years) is \$468,019.

A reconciliation of changes in liabilities for the year ending June 30, 2023 is as follows:

Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
\$ 457,307	\$ 391,218	\$ (380,506)	\$ 468,019

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES (continued)

Lease Liability

The Sheriff leases various vehicles including vehicles customized for law enforcement. These leases range in terms from 3 to 7 years, and payment terms vary depending on the vehicle and when the vehicle was acquired. In accordance with GASB Statement No. 87, *Leases*, a liability has been recorded for the present value of lease payments over the lease term for each vehicle. As of June 30, 2023, the combined value of the lease liabilities was \$2,457,167. In determining the present values, the implicit lease rates provided by the vendor were used as discount rates of 2% to 7%. The recorded value of the right-to-use assets as of the end of the current fiscal year was \$4,212,893 and accumulated amortization of these asset was \$1,573,092. The future principal and interest lease payments as of June 30, 2023, are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 961,897	\$ 115,781	\$ 1,077,678
2025	799,106	68,482	867,588
2026	458,841	31,842	490,683
2027	202,385	9,853	212,238
2028	34,938	849	35,787
	<u>\$ 2,457,167</u>	<u>\$ 226,807</u>	<u>\$ 2,683,974</u>

The lease agreements have non-appropriation exculpatory clauses that allow lease cancellation if the Government does not make an appropriation for its continuation during any future fiscal period. However, such clauses were disregarded in determining the term of the lease for the purpose of measuring the lease assets and liabilities.

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

	July 1, 2022	Additions	Reductions	June 30, 2023	Due within one year
Governmental Activities, net					
Financed purchases	\$ 4,004,090	\$ -	\$ (1,592,743)	\$ 2,411,347	\$ 1,092,665
Claims and judgments	457,307	391,218	(380,506)	468,019	65,198
Compensated absences	613,765	553,205	(588,587)	578,383	500,000
Revenue Bonds, Series 2016	6,870,000	-	(380,000)	6,490,000	395,000
Revenue Bonds, Series 2020	3,625,000	-	(200,000)	3,425,000	210,000
Bond Premium	943,519	-	(133,812)	809,707	-
Lease liability	2,634,790	762,758	(940,381)	2,457,167	961,897
Total long-term liabilities	<u>\$ 19,148,471</u>	<u>\$ 1,707,181</u>	<u>\$ (4,216,029)</u>	<u>\$ 16,639,623</u>	<u>\$ 3,224,760</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES (continued)

The general fund has historically funded the long-term debt and obligations. Total interest incurred on long-term debt and obligations for the year ended June 30, 2023 was \$591,559, all of which was expensed.

7. PENSION PLAN

The Sheriff is a participating employer in the Louisiana Sheriffs' Pension and Relief Fund (the "Fund"), which is a cost-sharing defined benefit pension plan. The Fund is a public corporation created in accordance with the provision of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association ("LSA") and the Fund's office. The Fund is governed by a Board of Trustees composed of 14 elected members and two legislators who serve as ex-officio members, all of whom are voting members.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

Plan Description

The Louisiana Sheriffs' Pension and Relief Fund is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the LSA and the Fund's office as defined in LRS 11:2171. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:2178.

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.

Funding Policy

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2023, the actual employer contribution rate was 11.50%. Employer contributions for the year ended June 30, 2023 were \$1,724,072. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. Non-employer contributions recognized for the year ended June 30, 2023, were \$896,671. Plan members are required by state statute to contribute 10.25 percent of their annual covered salary.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

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

At June 30, 2023, the Sheriff reported a net pension liability of 15,762,202 for its proportionate share of the net pension asset. The net pension asset was measured as of the measurement date of June 30, 2022, 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 asset was based on the Sheriff's share of contributions to the pension plan relative to the contributions of all participating employers, during the measurement period. At June 30, 2022, the Sheriff's proportion was 1.939%, which was a increase of 0.107% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Sheriff recognized pension expense of \$3,300,445 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

At June 30, 2023, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 725,079	\$ 783,163
Net difference between projected and actual earnings on pension plan investments	6,824,041	-
Changes in assumptions	2,354,387	-
Changes in proportionate share	625,074	162,523
Differences between the Sheriff's contributions and its proportionate share of contributions	54,880	20,283
Employer contributions subsequent to the measurement date	1,724,072	-
Total	<u>\$ 12,307,533</u>	<u>\$ 965,969</u>

The Sheriff reported a total of \$1,724,072 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2022, which will be recognized as a reduction in net pension liability in the year ended June 30, 2024.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year ending June 30,	Amount
2024	\$ 2,528,346
2025	2,160,197
2026	1,174,858
2027	3,754,091
	<u>\$ 9,617,492</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability (asset) as of June 30, 2022, is as follows:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return	6.85%, net of investment expense (prior year 6.90%)
Projected salary increases	5.0%
Mortality	RP-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale. RP-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale
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.
Inflation	2.50%

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity Securities	62%	4.10%
Fixed Income	25%	1.23%
Alternative Investments	13%	0.85%
Total	100%	6.18%
Inflation		2.25%
Expected Arithmetic Nominal Return		8.43%

Discount Rate

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan'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 (asset).

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the Sheriff's proportionate share of the net pension liability (asset) using the discount rate of each Retirement System as well as what the Sheriff's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Rates	5.85%	6.85%	7.85%
Sheriff's Share of Net Pension Liability (Asset)	\$ 27,911,373	\$ 15,762,202	\$ 5,631,917

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The St. John the Baptist Parish Sheriff's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees, and retirees, rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age, or age 55 and 12 years of service; or, for employees hired on and after January 1, 2012, age 55 and 30 years of service, or age 60 and 20 years of service, or age 62 and 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits; however, for employees with dates of hire after June 30, 2010 the requirement is 20 years.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer for the amount \$10,000. Insurance coverage amounts are not reduced due to age.

Employees covered by benefit terms – As of the measurement date June 30, 2023, the following employees were covered by the benefit terms::

Inactive employees or beneficiaries currently receiving benefit payments	100
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	232
	<hr/> 332 <hr/>

Total OPEB Liability

The Sheriff's total OPEB liability of \$21,009,862 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022.

Actuarial Assumptions and other inputs – The following actuarial assumptions and other inputs were applied to all periods included in the measurement unless otherwise specified:

Inflation	3.0% annually
Salary increases	3.0%, including inflation
Prior Discount rate	2.54%
Discount rate	3.65% annually
Healthcare cost trend rates	Flat 5.5% annually

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFITS (continued)

Total OPEB Liability (continued)

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2023, the end of the applicable measurement period.

Mortality rates were based on the SOA RP-2014 Combined Mortality Table.

Changes in the Total OPEB Liability

Balance at June 30, 2022	\$ 15,842,664
Changes for the year:	
Service cost	186,494
Interest	564,131
Difference between expected and actual experience	4,707,082
Changes in assumptions	618,521
Changes in benefit terms	-
Benefit payments and net transfers	(909,030)
Net changes	<u>5,167,198</u>
Balance at June 30, 2023	<u>\$ 21,009,862</u>

The amount of total OPEB liability estimated to be due and payable within one year is \$959,027.

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

	1.0% Decrease (2.65%)	Current Discount Rate (3.65%)	1.0% Increase (4.65%)
Total OPEB Liability	<u>\$ 24,307,036</u>	<u>\$ 21,009,862</u>	<u>\$ 18,380,748</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1.0% Decrease (4.50%)	Current Healthcare Cost Trend Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB Liability	<u>\$ 18,491,169</u>	<u>\$ 21,009,862</u>	<u>\$ 24,146,364</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFITS (continued)

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

For the year ended June 30, 2023, the Sheriff recognized OPEB expense/(revenue) of \$1,152,972.

At June 30, 2023, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,066,893	\$ (4,561,493)
Changes in assumptions	9,019,010	(2,926,290)
Total	<u>\$ 15,085,903</u>	<u>\$ (7,487,783)</u>

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

Year ending June 30,	Amount
2024	\$ 1,289,947
2025	1,289,947
2026	1,289,947
2027	1,289,947
2028	1,289,947
Thereafter	1,148,385
	<u>\$ 7,598,120</u>

9. EX-OFFICIO TAX COLLECTOR

The amount of current taxes collected by taxing authority is listed below. Of the \$25,312,363 collected for St. John Parish Law Enforcement, \$115,666 is related to commissions and fees on tax collections.

<u>Taxing District</u>	Collected and Distributed	Left to Collect
St. John Parish Council	\$ 26,680,677	\$ 16,409
School Board	31,704,001	19,497
Assessor	2,346,659	1,443
Sheriff's General Fund	25,602,207	15,661
Library	7,674,026	4,719
Lafourche Basin Levee Board	39,003	8
Pontchartrain Levee District	2,684,259	1,669
LA Tax Commission	24,745	-
	<u>\$ 96,755,577</u>	<u>\$ 59,406</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

10. ADVANCE TAX PAYMENTS

The Sheriff and other taxing districts in the St. John the Baptist Parish entered into an agreement with a petroleum company whereas in exchange for advance payments made on December 19, 2019 and January 13, 2020 totaling \$20,000,000 in ad valorem taxes, Marathon receives credit against future ad valorem tax liabilities as set forth in Louisiana R.S.47:2138(B). The Sheriff's portion of the advance tax payments totaled \$5,251,930 which is recorded as resources received before time requirements on the Governmental Fund Balance Sheet and will be recognized as revenue as the credits are utilized. For the year ended June 30, 2023, \$1,050,386 was recognized a revenue. The carrying balance of the advance tax payments at June 30, 2023 was \$2,100,772, and is presented as a deferred inflow of resources.

11. UNAVAILABLE REVNUUE

FEMA has obligated approximately \$3,300,000 to fund the damage caused by Hurricane Ida on August 29, 2021. Of that amount approximately \$574,000 was not collected as of the date of this report and not considered available to cover current obligations and therefore, presented as a deferred inflow of resources in the governmental fund balance sheet. The government-wide financial statements use the economic resources measurement focus and therefore, the \$574,000 is recognized as revenue and not included in deferred inflows in the government-wide statement of net position.

12. TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of a notice, the amount paid shall be segregated and held by the tax collector for a period of thirty days. If a suit is filed within 30 days, the segregated funds shall be held pending outcome of the suit. If the taxpayer prevails, the Tax Collector shall refund the amount due with interest from the date the funds were received by the Tax Collector. As of June 30, 2022, there were no amounts paid under protest and escrowed.

13. DEFERRED COMPENSATION

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

The Sheriff's contributions to the Plan were \$420,597 for the year ended June 30, 2023. Complete disclosures relating to the Plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS

14. TAX ABATEMENT

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

As of June 30, 2023, eight industrial companies located in the Parish are currently under the Industrial Tax Exemption program. The typical term of these agreements are for ten years and provided Ad valorem tax abatements, pertaining to the law enforcement district millages of the 2022 tax roll, totaled approximately \$4,902,000.

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

REQUIRED SUPPLEMENTARY INFORMATION

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budget Basis)</u>
<u>REVENUES</u>			
Taxes	\$ 31,400,000	\$ 31,993,633	\$ 31,994,053
Intergovernmental revenue	4,904,500	6,283,322	5,611,910
Fees, charges, and commissions for services	4,493,000	2,527,259	4,779,565
Interest and investment income	35,000	563,917	565,290
TOTAL REVENUES	<u>40,832,500</u>	<u>41,368,131</u>	<u>42,950,818</u>
<u>EXPENDITURES</u>			
Public Safety			
Personnel services and related benefits	20,423,811	20,212,543	24,334,101
Contracted services	6,960,000	6,952,757	1,802,129
Operation and maintenance	7,277,000	8,887,606	8,172,670
Debt service:			
Principal	2,566,542	580,000	3,049,856
Interest	392,650	393,450	591,559
Capital outlay	250,000	3,024,806	1,821,877
TOTAL EXPENDITURES	<u>37,870,003</u>	<u>40,051,162</u>	<u>39,772,192</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,962,497	1,316,969	3,178,626
<u>OTHER FINANCING SOURCES (USES)</u>			
Sale of assets	25,000	296,864	296,793
Lease proceeds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,000</u>	<u>296,864</u>	<u>296,793</u>
NET CHANGE IN FUND BALANCE	2,987,497	1,613,833	3,475,419
FUND BALANCE AT BEGINNING OF YEAR	<u>8,844,762</u>	<u>8,005,491</u>	<u>8,214,372</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 11,832,259</u></u>	<u><u>\$ 9,619,324</u></u>	<u><u>\$ 11,689,791</u></u>

See the accompanying notes to the Required Supplementary Information.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF CHANGES IN
OTHER POST-EMPLOYMENT BENEFIT OBLIGATION AND RELATED RATIOS

Financial statement reporting date	Measurement date	Service cost	Interest	Differences between expected and actual experience	Changes in assumptions	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered employee payroll	Total OPEB liability as a percentage of covered employee payroll
6/30/2023	6/30/2023	\$ 186,494	\$ 564,131	\$ 4,707,082	\$ 618,521	\$ (909,030)	\$ 5,167,198	\$ 15,842,664	\$ 21,009,862	\$ 13,037,279	161.15%
6/30/2022	6/30/2022	286,640	425,936	92,807	(3,762,372)	(776,309)	(3,733,298)	19,575,962	15,842,664	11,660,571	135.87%
6/30/2021	6/30/2021	415,680	422,053	(6,366,704)	7,000,898	(785,546)	686,381	18,889,581	19,575,962	11,320,943	172.92%
6/30/2020	6/30/2020	312,424	689,394	158,277	(963,937)	(847,335)	(651,177)	19,540,758	18,889,581	11,100,725	170.17%
6/30/2019	6/30/2019	180,545	514,977	2,886,119	2,136,766	(801,017)	4,917,390	14,623,368	19,540,758	10,777,403	181.31%
6/30/2018	6/30/2018	147,503	506,567	(174,668)	-	(658,758)	(179,356)	14,802,724	14,623,368	9,787,290	149.41%

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

There are no assets accumulated in a trust that meets the criteria of Paragraph 4 of GASB 75 for this OPEB plan.

See the accompanying notes to the Required Supplementary Information.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SHERIFF'S PENSION AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2023 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Sheriff's Pension and Relief Fund						
	2023	1.94%	\$ 15,762,202	\$ 14,385,723	109.57%	83.90%
	2022	-1.83%	(907,766)	13,354,721	-6.80%	101.04%
	2021	1.71%	11,823,994	12,698,789	93.11%	84.73%
	2020	1.77%	8,383,257	12,384,376	67.69%	88.91%
	2019	1.79%	6,882,573	12,267,821	56.10%	90.41%
	2018	1.75%	7,585,137	12,161,444	62.37%	88.49%
	2017	1.76%	11,153,481	11,976,153	93.13%	82.10%
	2016	1.82%	8,128,327	12,092,300	67.22%	86.61%
	2015	1.74%	6,849,906	11,148,432	61.44%	87.34%

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

(*) The amounts presented have a measurement date of June 30th of the previous year-end.

See the accompanying notes to the Required Supplementary Information.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF THE EMPLOYER'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

<u>Pension Plan</u>	<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll³</u>	<u>Contributions as a % of Covered Payroll</u>
Sheriffs' Pension and Relief Fund						
	2023	\$ 1,724,072	\$ 1,724,072	\$ -	\$ 14,991,926	11.5000%
	2022	1,761,951	1,761,951	-	14,385,723	12.25%
	2021	1,635,447	1,635,447	-	13,354,721	12.25%
	2020	1,556,067	1,556,067	-	12,698,789	12.25%
	2019	1,517,086	1,517,086	-	12,384,376	12.25%
	2018	1,574,365	1,574,365	-	12,267,821	12.83%
	2017	1,611,519	1,611,519	-	12,161,444	13.25%
	2016	1,646,721	1,646,721	-	11,976,153	13.75%
	2015	1,723,153	1,723,153	-	12,092,300	14.25%
	2014	1,548,517	1,548,517	-	11,148,432	13.89%

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

For reference only:

¹ *Employer contribution rate multiplied by employer's covered payroll*

² *Actual employer contributions remitted to the Sheriffs' Pension and Relief Fund*

³ *Employer's covered payroll amount for the fiscal year ended June 30*

See the accompanying notes to the Required Supplementary Information.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

BUDGETARY BASIS OF ACCOUNTING

The General Fund budget is prepared on a budgetary basis which excludes the effects of non-cash transactions such as financed purchases and lease transactions, which increase capital outlay and other sources without expending cash. A reconciliation of the GAAP basis of accounting to the budgetary basis is as follows:

	<u>Capital outlay</u>	<u>Lease Proceeds</u>
GAAP basis	\$ 2,584,635	\$ 762,758
Lease proceeds not budgeted	(762,758)	(762,758)
Budgetary basis	<u>\$ 1,821,877</u>	<u>\$ -</u>

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO OTHER POST-EMPLOYMENT BENEFIT PLAN

Changes in benefit terms -

There were no changes for and during the year ended June 30, 2023.

Effective October 1, 2020 (for the year ending June 30, 2021), Life insurance premiums for which the employer pays on behalf of the retiree is limited to \$10,000 coverage.

Changes in assumptions -

The fluctuations in the changes in assumptions balance was a result of changes in the discount rate. The following are the discount rates used in each measurement of total other post-employment obligation.

Year end	Measurement Date	Rate	Change
6/30/2023	6/30/2023	3.65%	0.110%
6/30/2022	6/30/2022	3.540%	1.380%
6/30/2021	6/30/2021	2.160%	-0.050%
6/30/2020	6/30/2020	2.210%	-1.290%
6/30/2019	6/30/2019	3.500%	-0.370%
6/30/2018	6/30/2018	3.870%	0.290%
6/30/2017	6/30/2017	3.580%	

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO LOUISIANA SHERIFFS' PENSION AND RELIEF FUND

Changes in benefit terms -

There were no changes of benefit terms for the years presented.

(continued)

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO LOUISIANA SHERIFFS' PENSION AND RELIEF FUND (continued)

Changes in assumptions -

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:

Year End (*)	Rate	Change
6/30/2023	6.850%	-0.050%
6/30/2022	6.900%	-0.100%
6/30/2021	7.000%	-0.100%
6/30/2020	7.100%	-0.150%
6/30/2019	7.250%	-0.150%
6/30/2018	7.400%	-0.100%
6/30/2017	7.500%	-0.100%
6/30/2016	7.600%	-0.100%
6/30/2015	7.700%	

Merit:

Year End (*)	Rate	Change
6/30/2023	2.500%	0.000%
6/30/2022	2.500%	0.000%
6/30/2021	2.500%	-0.500%
6/30/2020	3.000%	0.100%
6/30/2019	2.900%	0.175%
6/30/2018	2.725%	0.100%
6/30/2017	2.625%	0.000%
6/30/2016	2.625%	-0.375%
6/30/2015	3.000%	

Inflation Rate:

Year End (*)	Rate	Change
6/30/2023	2.500%	0.000%
6/30/2022	2.500%	0.000%
6/30/2021	2.500%	0.000%
6/30/2020	2.500%	-0.100%
6/30/2019	2.600%	-0.175%
6/30/2018	2.775%	-0.100%
6/30/2017	2.875%	0.000%
6/30/2016	2.875%	-0.125%
6/30/2015	3.000%	

Investment rate of return:

Year End (*)	Rate	Change
6/30/2023	6.850%	-0.050%
6/30/2022	6.900%	-0.100%
6/30/2021	7.000%	-0.100%
6/30/2020	7.100%	-0.150%
6/30/2019	7.250%	-0.250%
6/30/2018	7.500%	-0.100%
6/30/2017	7.600%	-0.100%
6/30/2016	7.700%	0.000%
6/30/2015	7.700%	

Salary Increases:

Year End (*)	Rate	Change
6/30/2023	5.000%	0.000%
6/30/2022	5.000%	0.000%
6/30/2021	5.000%	-0.500%
6/30/2020	5.500%	0.000%
6/30/2019	5.500%	0.000%
6/30/2018	5.500%	0.000%
6/30/2017	5.500%	0.000%
6/30/2016	5.500%	-0.500%
6/30/2015	6.000%	

(concluded)

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

OTHER SUPPLEMENTARY INFORMATION



Sheriff Mike Tregre

ST. JOHN THE BAPTIST PARISH

STATE OF LOUISIANA, PARISH OF ST. JOHN THE BAPTIST

AFFIDAVIT

MICHAEL TREGRE, SHERIFF
of ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE

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

The following information is true and correct:

\$709,787 is the amount of cash on hand in the tax collector account on June 30, 2023, which does not include taxes paid under protest.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year 2022, by taxing authority, are true and correct.

All itemized statement of all taxes assessed and uncollected, which indicated the reason for the failure to collect, by taxing authority, are true and correct.

A handwritten signature in blue ink, appearing to read "Mike Tregre".

Mike Tregre,
Sheriff of St. John the Baptist Parish

Sworn to and subscribed before me, Ex-officio Notary, this 18 day of December 2023, in my office in LaPlace, Louisiana.

A handwritten signature in blue ink, appearing to read "Jeffrey Clement".

Jeffrey Clement #82747
Ex-Officio Notary
St. John the Baptist Parish
Sheriff's Office

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2023

Agency Head Name: Sheriff Mike Tregre

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 189,811
Benefits - insurance	18,315
Benefits - retirement	29,056
Benefits - medicare	3,117
Benefits - unemployment	237
Cell phone	1,200
Per diem	944
Fuel usage	3,265
Conference travel	3,491
Special meals	794
	<u>\$ 250,230</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected-Cash	\$ 2,096,949	\$ 2,042,573
Add: Collections		
Civil Fees	191,906	172,738
Bond Fees	333,189	394,953
Asset Forfeiture/Sale	609,737	475,826
Criminal Court Costs/Fees	327,714	473,498
Criminal Fines - Other	444,182	561,310
Service/Collection Fees	166	210
Interest Earnings on Collected Balances	873	1,552
Other	1,957	6,643
Subtotal Collections	1,909,724	2,086,730
Less: Disbursements To Governments & Nonprofits:		
State Treasurer-CMIS, Criminal Court Costs/Fees	7,704	11,108
Supreme Court, Criminal Court Costs/Fees	1,270	1,505
La. Comm on Law Enforcement, Criminal Court Costs/Fees	17,912	25,841
Dept Health Hospt - HSCI, Criminal Court Costs/Fees	10,234	13,964
Department of Pubic Safety, Criminal Court Costs/Fees	1,108	1,043
St. John the Baptist Parish Clerk of Court, Criminal Court Costs/Fees	68,205	99,921
St. John the Baptist Parish . Criminal Fines-Other	167,911	406,258
40th Judicial District District Attorney, Criminal Fines-Other	53,317	67,491
40th Judicial District Indigent Defender Board, Criminal Court Costs/Fees	115,339	166,093
40th Judicial District District Attorney, Criminal Court Costs/Fees	56,611	82,557
40th Judicial District Judicial Administration, Criminal Court Costs/Fees	17,937	25,948
Crimestoppers, Inc., Criminal Court Costs/Fees	5,147	7,407
St. John the Baptist Parish Clerk of Court, Bond Fees	928	950
St. John the Baptist Parish Crime Lab, Bond Fees	22,760	20,601
St. John the Baptist Parish Indegent Defender, Bond Fees	22,760	24,764
St. John the Baptist Parish DA, Bond Fees	49,051	69,992
St. John the Baptist Parish Plannign and Zonoing, Asset Forfeiture/Sale	2,638	-
Iberia Parish Sheriff's Office, Asset Forfeiture/Sale	70	
Ascension Parish Sheriff's Office, Asset Forfeiture/Sale	572	163
East Baton Rouge Parish Sheriff's Office, Asset Forfeiture/Sale	640	449
Jefferson Parish Sheriff's Office, Asset Forfeiture/Sale	660	420
Livingston Parish Sheriff's Office, Asset Forfeiture/Sale	-	86

(Continued)

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Orleans Parish Sheriff's Office, Asset Forfeiture/Sale	\$ 150	\$ 90
Ouachita Parish Sheriff's Office, Asset Forfeiture/Sale	287	242
St. Charles Parish Sheriff's Office, Asset Forfeiture/Sale	69	-
St. James Parish Sheriff's Office, Asset Forfeiture/Sale	221	141
St. Tammany Parish Sheriff's Office, Asset Forfeiture/Sale	-	39
St. John the Baptist 40th Judicial Court, Asset Forfeiture/Sale	31,055	20,492
Washington Parish Sheriff's Office, Asset Forfeiture/Sale	47	
Tangipahoa Parish Sheriff's Office, Asset Forfeiture/Sale	-	99
La. Dept. of Public Safety & Corrections, Asset Forfeiture/Sale	16	-
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	67,816	67,737
Civil Fees	115,764	90,371
Bond Fees	94,624	130,083
Criminal Court Costs/Fees	26,247	37,805
Criminal Fines-Other	169,510	306
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	225,078	150,477
Bond Fee Refunds	166,013	108,499
Other Disbursements to Individuals	4,260	4,304
Payments to 3rd Party Collection/Processing Agencies	440,169	351,976
Subtotal Disbursements/Retainage	<u>1,964,100</u>	<u>1,989,222</u>
Ending Balance of Amounts Collected-Cash	<u>\$ 2,042,573</u>	<u>\$ 2,140,081</u>

(Concluded)

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	<u>First Six Month Period Ended 12/31/2022</u>	<u>Second Six Month Period Ended 6/30/2023</u>
Receipts From:		
Individuals, Civil Fees	\$ 46,250	\$ 49,500
Interest Earnings on Collected Balances	-	586
Subtotal Receipts	<u>\$ 46,250</u>	<u>\$ 50,086</u>
 Ending Balance of Amounts Assessed but Not Received	 <u>-</u>	 <u>-</u>

OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS AND UNIFORM GUIDANCE

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff (the "Sheriff") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated January 17, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-001.

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services. EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

St. John the Baptist Parish Sheriff's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 17, 2024

EISNERAMPER
LLP



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the St. John the Baptist Parish Sheriff's Office (the "Sheriff") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Sheriff's major federal program for the year ended June 30, 2023. The Sheriff's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Sheriff complied, in all material respects, with the compliance requirements referred above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Sheriff's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Sheriff's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Sheriff's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal

control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Sheriff's compliance with the requirements of its major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Sheriff's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Sheriff's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Sheriff's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 17, 2024



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ST. JOHN THE BAPTIST PARISH SHERIFF

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL DEPARTMENT/PASS-THROUGH ENTITY/PROGRAM	FEDERAL NUMBER	GRANT NUMBER	FEDERAL EXPENDITURE
<u>United States Department of Transportation</u>			
<u>Direct Program:</u>			
<i>Office of Justice Programs:</i>			
Bullet Proof Vest Partnership	16.607		\$ 32,850
Total United States Department of Transportation			32,850
<u>United States Department of Homeland Security</u>			
<u>Passed Through:</u>			
<i>Governor's Office of Homeland Security & Emergency Preparedness:</i>			
FEMA Disaster Grants - Public Assistance, IDA	97.036	FEMA-DR-4611	3,560,569
Total United States Department of Homeland Security			3,560,569
Total Expenditures			\$ 3,593,419

See accompanying notes to this schedule.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the St. John the Baptist Parish Sheriff and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – INDIRECT COST RATE

The Sheriff has not negotiated an indirect cost rate. Also, the Sheriff elected not to use the 10% de minimis cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.

NOTE C – Reconciliation to Financial Statements

The federal grant expenditures are reported within the various expenditure categories of the general fund and are not readily distinguishable to the Schedule of Expenditures of Federal Awards. However, revenue is generally recorded for these grants in an amount equal to allowable costs incurred and therefore the following reconciliation to reported federal grant revenue is provided:

Total expenditures per SEFA	\$ 3,593,419
FEMA revenues recognized in prior year but obligated in current year	(661,599)
FEMA revenues obligated in current year but not received during the availability period of current year	<u>(574,062)</u>
Federal grants revenue per financial statements	<u>\$ 2,357,758</u>

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023

A. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal Control over Financial Reporting:

- Material weakness(es) identified? _____ yes _____ x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? reported _____ yes _____ x none

Noncompliance material to financial statements noted?

_____ x yes _____ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes _____ x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? reported _____ yes _____ x none

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

_____ yes _____ x no

Identification of major programs:

CFDA Numbers

97.036

Name of Federal Program or Cluster

Disaster Grants – Public Assistance (Presidentially Declared Disasters)

The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.

The St. John the Baptist Parish Sheriff was determined to be a low-risk auditee.

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023

B. Findings – Financial Statement Audit

2023-001: Audit Law

Criteria: Louisiana Revised Statue 24:513 requires that political subdivisions of the State submit completed audit reports to the Legislative Auditor no later than six months after the fiscal year. Accordingly, the submission due date was December 31, 2023. In accordance with the provisions for non-emergency extensions promulgated by Louisiana Revised Statute 39:721, the Sheriff requested a 90-day extension to complete and submit the audit to the Legislative Auditor. Accordingly, the extended due date, if approved is March 31, 2024.

Condition: The audit was submitted after the statutory deadline, but before the requested extended deadline.

Cause: The partner in charge of the audit contracted influenzas in December 2023, thus delaying the completion of the audit.

Effect: There has been minimal if any impact to intergovernmental funding resulting from the delayed completion.

Recommendation: We recommend that the Sheriff in conjunction with the audit firm take steps to ensure that the audit is not delayed.

View of Responsible Official: *We concur with the finding. The Sheriff in conjunction with the audit firm, will take steps to ensure that the audit is completed timely.*

C. Findings and Questioned Costs – Major Federal Award Programs

None

ST. JOHN THE BAPTIST PARISH SHERIFF'S OFFICE
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2023

Findings – Financial Statement Audit

2022-001: Audit Law

Criteria: Louisiana Revised Statute 24:513 requires that political subdivisions of the State submit completed audit reports to the Legislative Auditor no later than six months after the fiscal year. Accordingly, the submission due date was December 31, 2022. In accordance with the provisions for non-emergency extensions promulgated by Louisiana Revised Statute 39:721, the Sheriff requested and was granted a 90-day extension to complete and submit the audit to the Legislative Auditor. Accordingly, the extended due date is March 31, 2023.

Condition: The audit was submitted after the statutory deadline, but before the extended deadline.

Status: Similar finding. See 2023-001.

Findings and Questioned Costs – Major Federal Award Programs

None

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ST. JOHN THE BAPTIST PARISH SHERIFF
LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT
FOR THE YEAR ENDED JUNE 30, 2023



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Schedule A: Agreed-Upon Procedures Performed and Associated Findings	2 - 14
Schedule B: Management's Response and Corrective Action Plan	15

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To St. John the Baptist Parish Sheriff's Office
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance ("C/C") areas identified in the Louisiana Legislative Auditor's ("LLA's") Statewide Agreed-Upon Procedures ("SAUPs") of the St. John the Baptist Parish Sheriff's Office (the "Sheriff") for the fiscal period July 1, 2022 through June 30, 2023. The Sheriff's management is responsible for those C/C areas identified in the SAUPs.

The Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Sheriff to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 of the Sheriff for the fiscal period July 1, 2022 through June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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



EISNERAMPER, LLP
Baton Rouge, Louisiana
January 17, 2024

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The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*” or for step 13 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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- viii. **Credit Cards (and debit cards, fuel cards, purchase 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).

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

The St. John the Baptist Sheriff has written policies for Sexual Harassment; however, the policy does not specify (3) annual reporting. For attributes (1) and (2), no exceptions were noted.

2) Board or Finance Committee

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

Procedure is not applicable to entities managed by a single elected official. The Sheriff is a single elected official who manages the St. John the Baptist Sheriff's Office. As such, this procedure is not applicable.

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- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-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.*

Procedure is not applicable to entities managed by a single elected official. The Sheriff is a single elected official who manages the St. John the Baptist Sheriff's Office. As such, this procedure is not applicable.

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

Procedure is not applicable to entities managed by a single elected official. The Sheriff is a single elected official who manages the St. John the Baptist Sheriff's Office. As such, this procedure is not applicable.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedure is not applicable to entities managed by a single elected official. The Sheriff is a single elected official who manages the St. John the Baptist Sheriff's Office. As such, this procedure is not applicable.

3) Bank Reconciliations

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

A listing of bank accounts was provided and included a total of 20 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending June 30, 2023 for the main operating account and July 31, 2022, January 31, March 31, and April 30, 2023 for the other randomly selected accounts, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

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

No exception noted.

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- ii. Bank reconciliations include written evidence that a member of management or a 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

No exception noted.

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

No exception noted.

4) Collections (excluding electronic funds transfers)

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

A listing of deposit sites was provided and included a total of 1 deposit site. No exceptions were noted while performing this procedure.

From the listing provided, we selected the only deposit site and performed the procedures below.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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:

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 2 collection locations. No exceptions were noted while performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

- ii. Each employee responsible for collecting cash is not also 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 exception noted.

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- iii. Each employee responsible for collecting cash is not also 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; and

The Chief Civil Deputy is one of seven employees responsible for collecting cash at one of the collection locations and is also responsible for posting collection entries to the general ledger.

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

The Chief Civil Deputy is one of seven employees responsible for collecting cash at one of the collection locations and is also responsible for reconciling cash to the general ledger.

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

No exception noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two deposit dates for each of the 5 bank accounts selected in procedure #3A. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.

No exception noted.

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

No exception noted.

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

No exception noted.

- iv. 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 and the cash is stored securely in a locked safe or drawer).

No exception noted.

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

No exception noted.

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

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

The listing of locations that process payments for the fiscal period was provided and included 4 disbursement location. No exceptions were noted while performing this procedure.

From the listing provided, we selected all four payment processing locations and performed the procedures below.

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

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

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

No exception noted.

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

The two employees responsible for processing payments, (Chief Civil Deputy and Human Resource Commander) are also the individuals that add and/or modify vendor files.

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

No exception noted.

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

No exception noted.

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

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the locations, we randomly selected 5 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

The two employees responsible for processing payments, (Chief Civil Deputy and Human Resource Commander) are also the individuals that add and/or modify vendor files. No other exceptions were noted.

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

No exception noted.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

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

From the listing provided, we randomly selected 5 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

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

No exception noted.

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

No exception noted.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We randomly selected 10 transactions, or all transactions if less than 10 from each statement and obtained supporting documentation for the transactions. For each transaction, observed that it was supported by (1) an original itemized receipt that identified 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). No exceptions noted.

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

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

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

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No exception noted.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

No exception noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by "Written Policies and Procedures", procedure #1A(vii); and

For 1 of the 5 travel related expenditures tested, the purpose/use of expenditure was not documented.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exception noted.

8) Contracts

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

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 3 contracts and performed the procedures below.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

No exception noted.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

No exception noted.

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

No exception noted.

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

No exception noted.

9) Payroll and Personnel

- A. 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.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

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

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

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A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures. No exceptions noted.

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

No exceptions noted.

10) Ethics

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

11) Debt Service

- A. 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 as required by Article VII, Section 8 of the Louisiana Constitution.

No exception noted.

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

A listing of bonds/notes outstanding at the end of the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

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From the listing provided, we randomly selected 1 bond/note and performed the specified procedures. No exceptions noted.

12) Fraud Notice

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

No exception noted.

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

No exception noted.

13) Information Technology Disaster Recovery/Business Continuity

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

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

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14) Prevention of Sexual Harassment

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

No exceptions noted.

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

No exception noted.

- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

The Sheriff had no annual sexual harassment report dated on or before February 1. We were informed that there were no sexual harassment complaints received during the year.

- ii. Number of sexual harassment complaints received by the agency;

The Sheriff had no annual sexual harassment report dated on or before February 1. We were informed that there were no sexual harassment complaints received during the year.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

The Sheriff had no annual sexual harassment report dated on or before February 1. We were informed that there were no sexual harassment complaints received during the year.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

The Sheriff had no annual sexual harassment report dated on or before February 1. We were informed that there were no sexual harassment complaints received during the year.

- v. Amount of time it took to resolve each complaint.

The Sheriff had no annual sexual harassment report dated on or before February 1. We were informed that there were no sexual harassment complaints received during the year.

**ST. JOHN THE BAPTIST PARISH SHERIFF OFFICE
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
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Schedule B

The St. John the Baptist Parish Sheriff Office (The Sheriff) provided a response and corrective action plan for the exceptions noted in Schedule A and are set forth below.

Policies & Procedures

The Sheriff will develop/write new and/or amended existing policies and procedures as well as reemphasize existing policies and procedures where applicable to address the findings noted in this section by June 30, 2024. Further, the Sheriff will begin documenting his annual review of policies and procedures.

Collections (excluding electronic funds transfers)

The Sheriff acknowledges that due to limited staff, the Chief Civil Deputy is one of seven employees that at times will collect cash at one of the collection locations, and he is also responsible for posting collection entries to the general ledger and reconciling cash to the general ledger. The Sheriff will document his annual assessment of the volume and risk, as well as mitigating controls over financial processes as part of the annual review of policies and procedures.

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

The Sheriff acknowledges that due to limited staff, the Chief Civil Deputy and the Human Resources Director process payments and also are the individuals that add and/or modify vendor files. The Sheriff will document his annual assessment of the volume and risk, as well as mitigating controls over financial processes as part of the annual review of policies and procedures.

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

The Sheriff acknowledges that one of the five travel related expenditures selected for testing did not clearly document its purpose. The Sheriff will immediately emphasize the need for clear and concise documentation supporting the travel related expense reimbursements.

Sexual Harassment

The Sheriff acknowledges that there was no sexual harassment report dated on or before February 1. In the future, a report will be generated and dated on or before February 1 in accordance with R.S. 42:344.