

MADISON PARISH SHERIFF
Tallulah, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2022
With Supplemental Information Schedules

MADISON PARISH SHERIFF
Tallulah, Louisiana

Annual Financial Statements
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With Supplemental Information Schedules

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Practice Limited to
Governmental Accounting,
Auditing and
Financial Reporting

Independent Auditor's Report

MADISON PARISH SHERIFF
Tallulah, Louisiana

Opinions

I have audited the accompanying financial statements of the governmental activities, the major fund, fiduciary funds and aggregate remaining fund information of the Madison Parish Sheriff, a component unit of the Madison Parish Police Jury, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Madison Parish Sheriff's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, fiduciary funds and aggregate remaining fund information of the Madison Parish Sheriff as of June 30, 2022, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my 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 and the *Louisiana Governmental Audit Guide*. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Madison Parish Sheriff and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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, I:

- 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 Madison Parish Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financials statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Madison Parish Sheriff's ability to continue as a going concern for a reasonable period of time.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Independent Auditor's Report,
June 30, 2022

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule and notes to required supplementary information, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedules of Employer's share of the Net Pension Liability, and the Schedules of Employer Contributions, as listed in the table of contents, 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. I 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 managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Madison Parish Sheriff's basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head, affidavit, Justice System Funding Schedules for Collecting/Disbursing, and Justice System Funding Schedules for Receiving Entities, as listed in the Table of Contents, is presented for purpose of additional analysis and is 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 financials statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion the schedule of compensation, benefits and other payments to agency head 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*, I have also issued a report dated November 30, 2022, on my consideration of the Madison Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant

MADISON PARISH SHERIFF
Tallulah, Louisiana
Independent Auditor's Report,
June 30, 2022

agreements and other matters. The purpose of that report is solely to describe the scope of my 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 Madison Parish Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Madison Parish Sheriff's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated November 30, 2022, on the results of my state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state side agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



West Monroe, Louisiana
November 30, 2022

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

MADISON PARISH SHERIFF
Tallulah, Louisiana

Management's Discussion and Analysis
June 30, 2022

As management of the Madison Parish Sheriff, I offer readers of the Madison Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Madison Parish Sheriff for the fiscal year ended June 30, 2022. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Madison Parish Sheriff's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Madison Parish Sheriff's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Madison Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Madison Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Madison Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Madison Parish Sheriff maintains 2 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund which is considered to be a major fund. Data from the other fund is in a single, aggregated presentation.

The Madison Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Madison Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Madison Parish Sheriff's performance.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Madison Parish Sheriff exceeded liabilities by

\$5,806,967. Approximately 10% of the Madison Parish Sheriff's net position reflects its investment in capital assets (equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Madison Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets having been included in the statement of net position.

STATEMENT OF NET POSITION

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$9,043,267	\$9,840,713
Receivables	195,835	223,496
Due from other funds	2,189	
	116,269	
Capital assets (net of accumulated depreciation)	<u>577,290</u>	<u>359,683</u>
TOTAL ASSETS	<u>9,934,850</u>	<u>10,423,892</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension and OPEB related	<u>2,310,958</u>	<u>2,765,250</u>
LIABILITIES		
Accounts payable	27,178	24,256
Salaries payable	29,789	14,479
Long term liabilities:		
Net pension liability		1,358,214
Net OPEB Obligation	<u>2,987,527</u>	<u>5,353,232</u>
TOTAL LIABILITIES	<u>3,044,494</u>	<u>6,750,181</u>
DEFERRED INFLOWS OF RESOURCES		
Pension and OPEB related	3,394,347	280,264
NET POSITION		
Invested in capital assets, net of related debt	577,290	359,683
Unrestricted	<u>5,229,677</u>	<u>5,799,014</u>
TOTAL NET POSITION	<u>\$5,806,967</u>	<u>\$6,158,697</u>

STATEMENT OF ACTIVITIES

	<u>2022</u>	<u>2021</u>
Public safety:		
Personal services	\$2,751,612	\$3,166,164
Operating services	386,475	392,759
Materials and supplies	340,294	230,813
Travel	33,878	25,260
Depreciation expense	<u>228,968</u>	<u>218,897</u>
Total Program Expenses	<u>3,741,227</u>	<u>4,033,893</u>
Program revenues:		
Charges for services:		
Commissions on license and taxes	376,683	368,398
Civil and criminal fees	138,161	133,718

Court attendance	\$4,454	\$3,332
Transportation of prisoners	7,601	7,629
Feeding and keeping prisoners	48,458	51,450
Tax notices	913	1,115
Other	223,139	96,899
Total program revenues	<u>799,409</u>	<u>662,541</u>
Net Program Expenses	<u>(2,941,818)</u>	<u>(3,371,352)</u>
General revenues:		
Taxes		
Ad valorem	885,331	902,162
Sales tax	775,134	773,299
Grants and contributions not restricted to specific programs:		
Federal sources	42,201	689,233
State sources		
State revenue sharing (net)	43,075	43,073
State supplemental pay	130,566	128,817
Other	543,996	496,950
Local sources	111,988	109,976
Use of money and property	38,017	98,994
Special items:		
Gain (loss) on sale/disposal of assets	19,780	(26,609)
Total General revenues	<u>2,590,088</u>	<u>3,215,895</u>
Change in Net Position	(351,730)	(155,457)
Net Position - Beginning of year	<u>6,158,697</u>	<u>6,314,154</u>
Net Position - End of year	<u>\$5,806,967</u>	<u>\$6,158,697</u>

Financial Analysis of the Government's Funds

As noted earlier, the Madison Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2022, combined governmental fund balances of \$9,184,324 showed a decrease of \$841,150 over June 30, 2021. The General Fund's portion of the unassigned, fund balance of \$9,173,201 shows a decrease (of approximately \$840,988) from the prior year amount.

General Fund and Major Fund Budgetary Highlights

Differences between expenditures of the original budget and the final budget for the General Fund were due primarily to an increase in personal services and benefits, materials and supplies, travel and other charges and capital outlay and a decrease in operating services. The difference in revenues in the general fund were due to increases in anticipated sales tax, other state grants, court attendance, other revenues, and other financing sources-disposal of assets and decreases in ad valorem taxes and civil and criminal fees.

Capital Asset and Debt Administration

Capital assets. The Madison Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$577,290 (net of accumulated depreciation). This investment includes buildings, furniture, and equipment. The increase in capital assets for the year was \$446,575. Deletions for the year were \$255,416. Net Pension asset associated with the Pension Plan at June 30, 2022 is \$116,269.

Long-term debt. The Madison Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at June 30, 2022 is \$2,987,527.

Requests for Information

This financial report is designed to provide a general overview of the Madison Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Madison Parish Sheriff, Courthouse Building, Tallulah LA 71282.

November 30, 2022

BASIC FINANCIAL STATEMENTS

MADISON PARISH SHERIFF
Tallulah, Louisiana

STATEMENT OF NET POSITION
June 30, 2022

ASSETS

Cash and cash equivalents	\$9,043,267
Receivables	195,835
Due from other funds	2,189
Net pension assets	116,269
Capital assets (net of accumulated depreciation)	<u>577,290</u>
TOTAL ASSETS	<u>9,934,850</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension and OPEB related	<u>2,310,958</u>
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LIABILITIES

Accounts payable	27,178
Salaries payable	29,789
Long term liabilities:	
Net OPEB Obligation	<u>2,987,527</u>
TOTAL LIABILITIES	<u>3,044,494</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	3,394,347
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NET POSITION

Invested in capital assets, net of related debt	577,290
Unrestricted	<u>5,229,677</u>
TOTAL NET POSITION	<u><u>\$5,806,967</u></u>

See independent auditor's report and the related notes to the financial statements.

Statement B

MADISON PARISH SHERIFF
Tallulah, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2022

Public safety:	
Personal services	\$2,751,612
Operating services	386,475
Materials and supplies	340,294
Travel	33,878
Depreciation expense	228,968
Total Program Expenses	<u>3,741,227</u>
Program revenues:	
Charges for services:	
Commissions on licenses and taxes	376,683
Civil and criminal fees	138,161
Court attendance	4,454
Transportation of prisoners	7,601
Feeding and keeping prisoners	48,458
Tax notices	913
Other	223,139
Total program revenues	<u>799,409</u>
Net Program Expenses	<u>(2,941,818)</u>
General revenues:	
Taxes	
Ad valorem	885,331
Sales tax	775,134
Grants and contributions not restricted to specific programs:	
Federal sources	42,201
State sources:	
State revenue sharing (net)	43,075
State supplemental pay	130,566
Other	543,996
Local sources	111,988
Use of money and property	38,017
Special item - gain on disposal of assets	19,780
Total General revenues	<u>2,590,088</u>
Change in Net Position	(351,730)
NET POSITION	
Beginning of year	<u>6,158,697</u>
End of year	<u>\$5,806,967</u>

See independent auditor's report and the related notes to the financial statements.

Statement C

MADISON PARISH SHERIFF
Tallulah, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2022

	MAJOR FUND GENERAL FUND	NON MAJOR FUND GRANT FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$9,032,144	\$11,123	\$9,043,267
Receivables	195,835		195,835
Due from other funds	2,189		2,189
TOTAL ASSETS	<u>\$9,230,168</u>	<u>\$11,123</u>	<u>\$9,241,291</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$27,178		\$27,178
Salaries payable	29,789		29,789
Total Liabilities	<u>56,967</u>	<u>NONE</u>	<u>56,967</u>
Fund Balances:			
Assigned		\$11,123	11,123
Unassigned	9,173,201		9,173,201
Total Fund Balance	<u>9,173,201</u>	<u>11,123</u>	<u>9,184,324</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$9,230,168</u>	<u>\$11,123</u>	<u>\$9,241,291</u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended June 30, 2022

Total Fund Balances at June 30, 2022 - Governmental Funds (Statement C)		<u>\$9,184,324</u>
Net pension asset		116,269
Deferred outflows of resources		2,310,958
Cost of capital assets at June 30, 2022	\$1,888,002	
Less: Accumulated depreciation as of June 30, 2022	<u>(1,310,712)</u>	577,290
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Net OPEB obligation		(2,987,527)
Deferred inflows of resources		<u>(3,394,347)</u>
Net Position at June 30, 2022 (Statement A)		<u><u>\$5,806,967</u></u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana
GOVERNMENTAL FUND TYPES
Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 2022

	MAJOR FUND GENERAL FUND	NON MAJOR FUND GRANT FUND	TOTAL
REVENUES			
Taxes			
Ad valorem	\$885,331		\$885,331
Sales tax	775,134		775,134
Intergovernmental revenues:			
Federal grants	42,201		42,201
State grants:			
State revenue sharing (net)	43,075		43,075
State supplemental pay	130,566		130,566
Other	543,996		543,996
Local grants	111,988		111,988
Fees, charges, and commissions for services:			
Commissions on licenses and taxes	376,683		376,683
Civil and criminal fees	138,161		138,161
Court attendance	4,454		4,454
Transportation of prisoners	7,601		7,601
Feeding and keeping of prisoners	48,458		48,458
Tax notices	913		913
Use of money and property	37,992	\$25	38,017
Miscellaneous revenues	33,509		33,509
Total revenues	<u>3,180,062</u>	<u>25</u>	<u>3,180,087</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	2,833,795		2,833,795
Operating services	386,475		386,475
Materials and supplies	340,107	187	340,294
Travel and other charges	33,878		33,878
Capital outlay	446,575		446,575
Total expenditures	<u>4,040,830</u>	<u>187</u>	<u>4,041,017</u>
EXCESS OF REVENUES OVER EXPENDITURES	(860,768)	(162)	(860,930)
OTHER FINANCING SOURCES:			
Proceeds from disposal of assets	19,780		19,780
TOTAL OTHER FINANCING SOURCES	<u>19,780</u>	<u>NONE</u>	<u>19,780</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(840,988)</u>	<u>(162)</u>	<u>(841,150)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>10,014,189</u>	<u>11,285</u>	<u>10,025,474</u>
FUND BALANCE AT END OF YEAR	<u>\$9,173,201</u>	<u>\$11,123</u>	<u>\$9,184,324</u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2022

Total net change in fund balances - governmental funds (Statement D)	(\$841,150)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period.	217,607
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(26,195)
Non-employer contributions to cost-sharing pension plan.	189,630
Pension expense	<u>108,378</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$351,730)</u></u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Statement of Fiduciary Net Position
Agency Funds

June 30, 2022

	TAX COLLECTOR	CIVIL FUND	CRIMINAL FUND	SPECIAL ASSET FORFEITURE FUND	TOTAL
ASSETS					
Cash and cash equivalents	NONE	\$8,953	\$174,913	\$33,255	\$217,121
Total Assets	<u>NONE</u>	<u>\$8,953</u>	<u>\$174,913</u>	<u>\$33,255</u>	<u>\$217,121</u>
LIABILITIES					
Unsettled deposits due to:					
Due to other funds		\$2,189			\$2,189
Others	NONE	6,764	\$174,913	\$33,255	214,932
Total Liabilities	<u>NONE</u>	<u>\$8,953</u>	<u>\$174,913</u>	<u>\$33,255</u>	<u>\$217,121</u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2022

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	SPECIAL ASSET FORFEITURE FUND	TOTAL
UNSETTLED DEPOSITS					
AT BEGINNING OF YEAR	\$4,654	\$5,290	\$136,888	\$30,194	\$177,026
ADDITIONS					
Deposits :					
Fines, bond forfeitures and costs			1,174,576		1,174,576
Suits and seizures		57,983		2,990	60,973
Garnishments		62,921			62,921
Taxes, fees, etc. paid to tax collector	11,996,762				11,996,762
Interest earnings				71	71
Total additions	11,996,762	120,904	1,174,576	3,061	13,295,303
Total	12,001,416	126,194	1,311,464	33,255	13,472,329
REDUCTIONS					
Deposits, taxes, fees, etc. settled to:					
Madison Parish:					
Sheriff's General Fund	942,134	50,531	146,898		1,139,563
Clerk of Court	630	4,546	82,466		87,642
Police jury	4,467,372		343,721		4,811,093
School board	2,276,418				2,276,418
Assessor	640,208				640,208
Louisiana Department of Agriculture	9,959				9,959
Louisiana Tax Commission	24,130				24,130
Levee district	426,259				426,259
District Attorney			167,228		167,228
Indigent defender board			176,761		176,761
Judicial Expense fund			17,001		17,001
Hospital service district	1,370,230				1,370,230
Library	576,127				576,127
Port commission	296,158				296,158
Communications district	300,000				300,000
Council of Aging	100,318				100,318
Pension funds	330,487				330,487
Attorneys, appraisers, etc.		1,200			1,200
Litigants		58,718			58,718

(Continued)

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Statement of Changes in Fiduciary Net Position
 For The Year Ended June 30, 2022

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	SPECIAL ASSET FORFEITURE FUND	TOTAL
REDUCTIONS (CONTD.)					
Deposits settled to (contd.):					
Northwest Louisiana Crime Lab			\$105,115		\$105,115
Commission on Law Enforcement			9,168		9,168
Dept. Of Public Safety - LSP			910		910
Delta Recovery			250		250
Division A Judicial Expense Fund			200		200
Supreme Court Judicial ADM-CM			10,077		10,077
Louisiana Head/Spinal Injury			14,646		14,646
Fire Protection District	\$206,844				206,844
Refunds	16,317		52,548		68,865
Other reductions	17,825	\$4,435	9,562		31,822
Total reductions	<u>12,001,416</u>	<u>119,430</u>	<u>1,136,551</u>	<u>NONE</u>	<u>13,257,397</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u>NONE</u>	<u>\$6,764</u>	<u>\$174,913</u>	<u>\$33,255</u>	<u>\$214,932</u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

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

The accompanying financial statements of the Madison Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments. Certain of the significant changes in the Statement include the following:

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Madison Parish Police Jury is the financial reporting entity for Madison Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Madison Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Madison Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Madison Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Allocation of Indirect Expenses - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements (Continued)

Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

Governmental Fund Types

Major Fund - General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the sheriff and is used to account for the operations of the sheriff's office. The various fees and charges due to the sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund.

Non-Major Fund - The Grand Fund is used to account for the proceeds of specific revenue sources such as grants. Those revenues are restricted to expenditures for specified purposes.

Fiduciary Fund Type - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

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

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

Expenditures

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

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2022, the sheriff has cash and equivalents (book balances) totaling \$9,260,388 as follows:

Demand deposits	\$4,999,187
Time deposits	4,257,831
Petty cash	<u>3,370</u>
Total	<u>\$9,260,388</u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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 or exceed the amount on deposit with the fiscal agent. 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. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name. The Sheriff does not have a policy concerning custodial risk.

Cash and cash equivalents (bank balances) at June 30, 2022, are secured as follows:

Bank balances	<u>\$9,281,211</u>
Federal deposit insurance	\$1,011,425
Pledged securities (uncollateralized)	<u>24,306,732</u>
Total	<u>\$25,318,157</u>

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

F. SALES TAX

The voters of the parish approved a ½ of one percent sales and use tax and to levy an additional ½ of one percent sales and use tax for indefinite period, beginning January 1, 1998. The proceeds of the sales tax are dedicated for the purpose of providing additional funding for the law enforcement district. The sheriff's office has entered into an agreement with the Concordia Parish Sales and Use Tax Commission for collection of the tax.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$1000 for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2022.

I. VACATION AND SICK LEAVE

All employees are granted from one to two weeks of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is granted on a case-by-case basis, at the discretion of the sheriff.

J. PENSION PLANS

The Madison Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. 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 each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. EQUITY CLASSIFICATIONS

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

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.

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.

The General Fund has an unassigned fund balance of \$9,173,201. If applicable, the Sheriff would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds. The Sheriff considers restricted amounts have been spent when an expenditure has been incurred for the purpose for which both restricted and unrestricted fund balance is available.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

(expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisitions of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

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. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. LEVIED TAXES

The Sheriff levied the following millages for ad valorem taxes for 2021:

Constitutional	8.40 indefinite
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The taxes are normally collected in December of the current year and January and February of the ensuing year. Property taxes are recorded as receivables and revenues in the year assessed. The property tax calendar is as follows:

Assessment date	January 1
Levy date	June 30
Tax bills mailed	November 9
Total taxes due	December 31
Penalties & interest added	January 4 of ensuing year
Tax Sale	May 18 of ensuing year

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

The assessed value was \$116,010,765 in 2021. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer’s primary residence from parish property tax. In 2021, this homestead exemption was \$10,541,217 of the total assessed value. The following are the principal taxpayers for the parish:

	<u>2021 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Gulf South Pipeline Company	\$25,800,190	22.24%
Southeast Supply Header	17,226,900	14.85%
Midcontinent Express Pipeline	4,814,780	4.15%
Complex Chemicals Company	4,170,218	3.59%
Denbury Gulf Coast Pipeline	<u>3,258,190</u>	<u>2.81%</u>
Total	<u>\$55,272,299</u>	<u>47.64%</u>

3. RECEIVABLES

The receivables of \$195,835, at June 30, 2022, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>
Intergovernmental revenues:	
State grants	\$132,751
Local funds	36,080
Fees, charges, and commissions for services:	
Civil and criminal fees	23,360
Court attendance	238
Transportation of prisoners	639
Feeding and keeping prisoners	1,845
Miscellaneous	<u>922</u>
Total	<u>\$195,835</u>

4. ON-BEHALF PAYMENTS

Certain employees of the Madison Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$130,566.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

5. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2022, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
General Fund				
Vehicles	\$1,098,198	\$405,294	(\$186,152)	\$1,317,340
Equipment	598,645	41,281	(69,264)	570,662
Total assets	<u>\$1,696,843</u>	<u>\$446,575</u>	<u>(\$255,416)</u>	<u>\$1,888,002</u>

A summary of assets net of accumulated depreciation follows:

Total assets	<u>\$1,888,002</u>
Prior year accumulated depreciation	(1,337,293)
Current year depreciation	(228,836)
Depreciation on deletions	<u>255,417</u>
Net capital assets	<u>\$577,290</u>

6. PENSION INFORMATION

The Sheriff contributes to the Sheriffs' Pension and Relief Fund (Fund) which is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of the sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. Membership in the Fund is required for all eligible sheriffs and deputies. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund, which can be obtained at www.la.state.la.gov.

Summary of Significant Accounting Policies.

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

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements (Continued)

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

Plan Fiduciary Net Position.

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

Pension Amount Netting.

The deferred outflows and deferred inflows of resources attributable to differences between projected and actual earnings on pension plan investments recorded in different years are netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows are not presented on a net basis.

Plan Description.

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

Substantially all employees of the Madison Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Plan Benefits

Retirement Benefits

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to 3.33 percent of their final-average compensation multiplied by his years of creditable service, not to exceed 100% of average final

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For a member whose first employment making him eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

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

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

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

Disability Benefits

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

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

Survivor Benefits

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the members' final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-three, if the child is a full time student in good standing enrolled at a board approved or accredited school, college, or university.

Deferred Benefits:

The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible or to rollover the assets to another qualified plan.

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2022, the actual employer contribution rate was 12.25%.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements (Continued)

In accordance with state statute, the Fund also 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 contribution revenue for the year ended June 30, 2021 was \$108,378.

The Sheriff's contractually required composite contribution rate for the year ended June 30, 2021 was 12.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. The Madison Parish Sheriff's contributions to the Fund for the years ended June 30, 2022 and 2021 were \$224,694 and \$209,398, respectively, equal to the required contributions for each year.

The Sheriff has elected under state statute to pay both the employer and the employee contributions to the retirement system. Due to this election, the Sheriff contributed an additional \$188,009 on behalf of the employees for the year.

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

For the years ending June 30, 2022 and 2021, the Sheriff reported an (asset) liability of (\$116,269) and \$1,358,214, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs' proportion of the net pension liability was based on a projection of the Sheriffs' long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs', actuarially determined. At June 30, 2021, the Sheriffs' proportion was .2346 percent, which was an increase of .0384 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Sheriff recognized pension expense of \$32,152. At June 30, 2021, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$161,895
Changes in assumptions	\$357,789	
Net difference between projected and actual earnings on pension plan		1,049,962
Changes in employer's proportion of beginning NPL	141,542	88,009
Differences between employer and proportionate share of contributions	35	824

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

Sheriff contributions subsequent to the measurement date	\$224,694	
Total	\$724,060	\$1,300,690

\$224,694 reported as deferred outflows of resources related to pensions resulting from the Madison Parish Sheriffs' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2022	(\$170,059)
2023	(151,552)
2024	(178,467)
2025	(301,240)
Total	(\$801,318)

Actuarial assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2021
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	6.90%, net of investment expense
Discount Rate	6.90%
Projected salary increases	5.0% (2.50% inflation, 2.50% merit)
Mortality rates	<p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.</p>
Expected remaining service lives	2021 - 5 years, 2020 - 6 years, 2019 - 6 years, 2018 - 6 years, 2017 - 7 years, 2016 - 7 years, 2015 - 6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements (Continued)

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

The discounted rate used to measure the total pension liability was 6.90%. 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 and non-employer contributing entities will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund’s actuary. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method 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.

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	62%	7.08%	4.39%
Fixed Income	25	1.44	0.36
Alternative Investments	13	4.38	05.7
Totals	100%		5.32
Inflation			2.55
Expected Arithmetic Nominal Return			7.87%

Sensitivity of the Sheriffs’ proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.10%, as well as what the employers’ net pension liability 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.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

	1% Decrease (6.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Sheriffs' proportionate share of the net pension liability	\$1,276,627	(\$116,269)	\$1,277,500

7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Madison Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Madison Parish Sheriff Department'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 Governmental Accounting Standards Board (GASB).

Benefits Provided - Medical, dental, vision and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows:

- (1) For any employee who retired prior to July 1, 2009, 100% of the medical, dental and life insurance is paid for by the employer if the employee retires with at least 30 years of service with the Madison Parish Sheriff's Department, or at least 15 years of service and was at least 55 years of age.
- (2) For any employee who retired on or after July 1, 2009, 100% of the medical, dental, and life insurance is paid for by the employer provided that the employee had 15 years of continuous service with the Madison Parish Sheriff's Department as of June 30, 2009.
- (3) For any employee who retired on and after July 1, 2009, 100% of the medical, dental, and life insurance is paid for by the employer provided that the employee worked for 30 or more consecutive years with the Madison Parish Sheriff's Department.
- (4) For any employee that retires on and after July 1, 2017, 100% of the medical, dental, and life insurance is paid for by the employer if the employee retires with at least 24 consecutive years of service with the Madison Parish Sheriff's Department and is at least 55 years of age.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer for the full amount. The amount of insurance coverage while active is continued after

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

retirement, but insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Employees covered by benefit terms - At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	7
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>35</u>
Total employees	<u><u>42</u></u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$2,987,527 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0% annually
Salary increases	3.0% annually
Prior Discount rate	2.16%
Discount rate	2.54%
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in the Total OPEB Liability

Balance at June 30, 2021	\$5,353,232
Changes for the year:	
Service cost	30,203
Interest	115,956
Differences between expected and actual experience	(1,289,463)
Changes of assumptions	(1,153,137)
Benefit payments and net transfers	<u>(69,264)</u>
Net Changes	<u>(2,365,705)</u>
Balance at June 30, 2022	<u><u>\$2,987,527</u></u>

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1.0% Decrease (2.54%)	Current Discount Rate (3.54%)	1.0% Increase (4.54%)
Total OPEB liability	\$3,567,606	\$2,987,527	\$2,532,476

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 a discount rate that is 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current discount rate:

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$2,698,650	\$2,987,527	\$3,346,967

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

For the year ended June 30, 2022, the Sheriff recognized OPEB expense of \$95,459. At June 30, 2022, 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 expenditures	\$698,318	(\$1,105,254)
Changes in assumptions	888,577	(988,403)
Total	\$1,586,895	(\$2,093,657)

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

Year ended June 30:	
2023	(\$50,700)
2024	(50,700)
2025	(50,700)
2026	(50,700)

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements (Continued)

2027	(\$50,700)
Thereafter	(\$253,262)

8. TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2022, the tax collector has cash and equivalents (book balances) totaling \$0:

9. AD VALOREM TAXES COLLECTED

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2022, by taxing body as follows:

Louisiana Forestry Service	\$9,954
Fifth District Levee Board	407,186
Louisiana Tax Commission	24,130
Madison Parish Assessor	616,197
Madison Parish Police Jury	4,344,613
Madison Parish School Board	2,212,492
Madison Parish Sheriff	886,163
Madison Parish Library	560,771
Hospital Service District	1,336,671
Madison Parish Port Commission	282,422
Madison Parish 911	295,677
Madison Fire Protection District	203,916
Madison Parish Council on Aging	98,898
Total	<u>\$11,279,090</u>

10. TAX UNCOLLECTED AND UNSETTLED

The tax collector has collected and disbursed all the taxes for the year ended June 30, 2022.

11. LITIGATION AND CLAIMS

At June 30, 2022, the Madison Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

MADISON PARISH SHERIFF

Tallulah, Louisiana

Notes to the Financial Statements (Continued)

**12. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The Madison Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Madison Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

MADISON PARISH SHERIFF
Tallulah, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
Ad valorem	\$900,000	\$885,000	\$885,331	\$331
Sales tax	650,000	750,000	775,134	25,134
Intergovernmental revenues:				
Federal grants	11,000	11,000	42,201	31,201
State grants:				
State revenue sharing (net)	41,000	41,000	43,075	2,075
State supplemental pay	132,000	132,000	130,566	(1,434)
Other	450,000	490,000	543,996	53,996
Local grants	105,000	105,250	111,988	6,738
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	375,500	375,600	376,683	1,083
Civil and criminal fees	150,000	130,000	138,161	8,161
Court attendance	2,500	3,500	4,454	954
Transportation of prisoners	8,000	8,000	7,601	(399)
Feeding and keeping of prisoners	40,000	40,000	48,458	8,458
Tax notices	1,000	1,000	913	(87)
Use of money and property	46,000	46,600	37,992	(8,608)
Other		13,550	33,509	19,959
Total revenues	<u>2,912,000</u>	<u>3,032,500</u>	<u>3,180,062</u>	<u>147,562</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	2,457,800	2,774,800	2,833,795	(58,995)
Operating services	445,200	436,100	386,475	49,625
Materials and supplies	254,500	328,000	340,107	(12,107)
Travel and other charges	36,178	37,178	33,878	3,300
Capital outlay	335,000	462,500	446,575	15,925
Total expenditures	<u>3,528,678</u>	<u>4,038,578</u>	<u>4,040,830</u>	<u>(2,252)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(616,678)</u>	<u>(1,006,078)</u>	<u>(860,768)</u>	<u>145,310</u>
OTHER FINANCING SOURCES:				
Proceeds from disposal of assets	5,000	19,000	19,780	780
TOTAL OTHER FINANCING SOURCES	<u>NONE</u>	<u>19,000</u>	<u>19,780</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(616,678)</u>	<u>(987,078)</u>	<u>(840,988)</u>	<u>145,310</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>9,811,391</u>	<u>9,811,391</u>	<u>10,014,189</u>	<u>202,798</u>
FUND BALANCES AT END OF YEAR	<u>\$9,194,713</u>	<u>\$8,824,313</u>	<u>\$9,173,201</u>	<u>\$348,108</u>

See independent auditor's report and the related notes to the financial statements.

MADISON PARISH SHERIFF
Tallulah, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022

Proposed budgets, prepared on the modified accrual basis of accounting, for the General Fund is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Madison Parish Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the sheriff and amended during the year, as necessary. The budgets are established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

Madison Parish Sheriff
 Schedule of Changes in Net OPEB Liability and Related Ratios
 FYE June 30, 2022

Total OPEB Liability	2018	2019	2020	2021	2022
Service cost	\$18,534	\$19,090	\$30,258	\$29,323	\$30,203
Interest	98,558	100,737	105,044	109,553	115,956
Changes of benefits terms	NONE	NONE	NONE	NONE	NONE
Differences between expected and actual experience	29,876	17,354	720,517	298,406	(1,289,463)
Changes of assumptions	NONE	157,752	1,172,410	49,261	(1,153,137)
Benefit payments	(77,776)	(82,054)	(71,855)	(75,807)	(69,264)
Net change in total OPEB liability	69,192	212,879	1,956,374	410,736	(2,365,705)
Total OPEB liability - beginning	2,704,051	2,773,243	2,986,122	4,942,496	5,353,232
Total OPEB liability - ending	<u>\$2,773,243</u>	<u>\$2,986,122</u>	<u>\$4,942,496</u>	<u>\$5,353,232</u>	<u>\$2,987,527</u>
Covered employee payroll	\$1,244,346	\$1,281,676	\$1,439,953	\$1,483,152	\$1,612,048
Net OPEB liability as a percentage of covered-employee payroll	222.87%	232.99%	343.24%	360.94%	185.32%
<i>Benefit Changes</i>	None	None	None	None	None
<i>Changes in Assumptions</i>					
<i>Discount Rate:</i>	3.62%	3.50%	2.21%	2.16%	3.54%
<i>Mortality:</i>	RP-2000	RP-2000	RP-2014	RP-2014	RP-2014
<i>Trend:</i>	5.50%	5.50%	Variable	Variable	Variable

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

See independent auditor's report and the related notes to the financial statements.

Madison Parish Sheriff
Schedule of Employer's Share of Net Pension Liability
June 30, 2022

Fiscal Year *	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.214798%	\$850,601	\$3,493,277	24.35%	87.34%
2015	0.239656%	\$1,068,271	\$1,588,954	67.23%	86.61%
2016	0.234652%	\$1,489,312	\$1,602,557	92.93%	82.09%
2017	0.215948%	\$935,114	\$1,495,767	62.52%	88.49%
2018	0.211949%	\$812,750	\$1,458,783	55.71%	90.41%
2019	0.215713%	\$1,020,372	\$1,507,364	67.69%	88.91%
2020	0.196241%	\$1,358,214	\$1,448,728	93.75%	84.73%
2021	0.234626%	(\$116,269)	\$1,709,370	(6.80)%	101.04%

* Amounts presented were determined as of the measurement date (previous fiscal year end).

Note: - Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See independent auditor's report and the related notes to the financial statements.

Madison Parish Sheriff
Schedule of Employer Contributions
June 30, 2022

Fiscal Year *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2014	\$485,216	\$485,216	\$0	\$3,493,277	13.89%
2015	\$226,426	\$226,426	\$0	\$1,588,954	14.25%
2016	\$220,352	\$220,352	\$0	\$1,602,557	13.75%
2017	\$198,189	\$198,189	\$0	\$1,495,767	13.25%
2018	\$185,995	\$185,995	\$0	\$1,458,783	12.75%
2019	\$184,653	\$184,653	\$0	\$1,507,364	12.25%
2020	\$177,469	\$177,469	\$0	\$1,448,728	12.25%
2021	\$209,398	\$209,398	\$0	\$1,709,370	12.25%

* Amounts presented were determined as of the end of the fiscal year.

Note: - Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See independent auditor's report and the related notes to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

PART III

STATE OF LOUISIANA

PARISH OF MADISON

**AFFIDAVIT
SAMMIE BYRD, SHERIFF OF MADISON PARISH**

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

The following information is true and correct:

\$0 is the amount of cash on hand in the tax collector account on June, 30, 2022.

He further deposed and said:

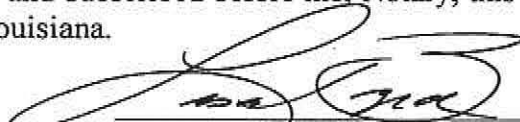
All itemized statements of the amount of taxes collected for the tax year, 2021, by taxing authority, are true and correct.

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



SAMMIE BYRD, SHERIFF
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 30th day of November, 2022, in my office in Madison, Louisiana.



LISA BYRD, NOTARY PUBLIC #033958
MADISON PARISH, LOUISIANA

MADISON PARISH SHERIFF
Tallulah, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2022

SAMMIE BYRD, SHERIFF

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$165,977
Expense allowance	16,598
Benefits-insurance	10,179
Benefits-retirement	45,290
Benefits-medicare	2,998
Per diem	475
Registration fees	335
Cellphone	519
Housing and lodging	1,821
Membership dues	13,966
Other benefits paid on behalf of sheriff	330

See independent auditor's report.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
 GENERAL FUND
 For the Year Ended June 30, 2022

CASH BASIS PRESENTATION	First Six Month Period Ended 12/31/2021	Second Six Month Period Ended 6/30/2022
Receipts From:		
Madison Parish Police Jury - Court Costs/Fees	\$2,108	\$2,346
Subtotal Receipts	<u>\$2,108</u>	<u>\$2,346</u>
Total: Ending Balance of Amounts collected but not Received	<u>NONE</u>	<u>NONE</u>

See independent auditor's report.

MADISON PARISH SHEIFF
Tallulah, Louisiana
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
FIDUCIARY FUNDS
For the Year Ended June 30, 2022

CASH BASIS PRESENTATION	First Six Month Period Ended 12/31/2021	Second Six Month Period Ended 6/30/2022
Beginning Balance of Amounts Collected	\$172,364	\$211,632
Add: Collections		
Civil Fees	26,194	36,727
Bond Fees	96,190	105,167
Pre-Trial Diversion Program Fees	5,180	300
Asset Forfeiture/Sale	19,309	41,664
Criminal Court Costs/Fees	193,945	416,796
Criminal Fines - Contempt	248	88
Criminal Fines - Other	129,469	226,238
Restitution	5	66
Probation/Parole/Supervision Fees	75	75
Service/Collection Fees	954	268
Interest Earnings on Collected Balances	19	550
Subtotal Collections	471,588	827,939
Less: Disbursements To Governments & Nonprofits		
Sixth Judicial Expense Fund - Criminal Court Costs/Fees	5,059	11,942
Sixth Judicial Misdemeanor Probation Fund - Probation/Parole/Supervision Fees	75	125
City of Tallulah - Criminal Court Costs/Fees	NONE	100
City of Tallulah - Other	150	NONE
Delta Police Department - Criminal Court Costs/Fees	2,500	600
Delta Recovery Center - Criminal Court Costs/Fees	100	150
Sixth Judicial District Indigent Defender Board, Bond Fees	8,385	16,237
Sixth Judicial District Indigent Defender Board, Criminal Court Costs/Fees	45,108	107,031
LA Commission on Law Enforcement - Criminal Court Costs/Fees	3,352	5,816
LA Disability Affairs Trust Fund - Criminal Court Costs/Fees	209	NONE
LA Division of Probation & Parole - Criminal Fines - Other	1,186	274
LA State Police - Criminal Court Costs/Fees	297	613
LA State Treasurer, Keep LA Beautiful Fund - Criminal Fines - Other	150	75
LA State Treasurer, Court Case Management Info System - Criminal Court Costs/Fees	2,961	7,117
LA Supreme Court Judicial Administrator - Criminal Court Costs/Fees	485	1,169
LA Wildlife & Fisheries - Criminal Court Costs/Fees	16	27
LA Wildlife & Fisheries - Criminal Fines - Other	222	NONE
LDHH Traumatic Head/Spinal Cord Injury Trust - Criminal Court Costs/Fees	3,945	10,701
Madison Parish Clerk of Court - Bond Fees	404	524
Madison Parish Clerk of Court - Criminal Court Costs/Fees	25,773	55,765
Madison Parish Clerk of Court - Asset Forfeitures/Sale	NONE	4,546
Madison Parish Clerk of Court - Other	NONE	110
Madison Parish Police Jury - Criminal Court Costs/Fees	16,451	35,173
Madison Parish Police Jury - Criminal Fines - Other	96,603	171,800

Madison Parish Sheriff
Justice System Funding Schedule -
Collecting/Disbursing
FYE June 30, 2022

Schedule 7

Madison Parish Police Jury - Bond Fees	\$7,981	\$15,713
North Delta Crime Lab - Bond Fees	404	524
North Delta Crime Lab - Criminal Court Costs/Fees	32,528	71,659
Sixth Judicial District Attorney, Bond Fees	9,395	17,547
Sixth Judicial District Attorney, Criminal Court Costs/Fees	30,842	61,065
Sixth Judicial District Attorney, Criminal Fines Other	15,730	27,149
Sixth Judicial District Attorney, Pre-Trial Diversion Fees	5,180	320
Louisiana Department of Public Safety - Asset Forfeiture/Sale	8	8
Caddo Parish Sheriff - Service/Collection Fees	NONE	30
Franklin Parish Sheriff - Service/Collection Fees	NONE	72
Tensas Parish Sheriff - Service/Collection Fees	30	NONE
Office of the Attorney General, Garnishment - Civil Fees	1,197	1,564
Less: Amounts Retained by Collecting Agency		
Madison Parish Sheriff, Criminal Court Costs/Fees (percentage)	39	95
Madison Parish Sheriff, Criminal Court Costs/Fees (fixed)	23,523	48,549
Madison Parish Sheriff, Criminal Fines Other	15,744	27,065
Madison Parish Sheriff, Bond Fees (fixed)	3,609	4,579
Madison Parish Sheriff, Bond Fees (percentage)	7,981	15,713
Madison Parish Sheriff, Civil Fees (fixed)	17,550	32,853
Madison Parish Sheriff, Interest	59	588
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	NONE	167
Bond Fee Refunds	21,900	31,175
Restitution Payments to Individuals	872	2,035
Other Disbursements to Individuals	24,317	36,275
Subtotal Disbursements/Retainage	432,320	824,640
Total: Ending Balance of Amounts collected but not Disbursed/Retained	\$211,632	\$214,931
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	NA	\$2,121,470
Total Waivers During the Fiscal Period	NA	\$31,473

See independent auditor's report.

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent Auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* , issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**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***

MADISON PARISH SHERIFF
Tallulah, Louisiana

I 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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the major fund, the fiduciary funds, and the aggregate remaining fund information of the Madison Parish Sheriff, a component unit of the Madison Parish Police Jury, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Madison Parish Sheriff's basic financial statements, and have issued my report thereon dated November 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, I do not express an opinion on the effectiveness of the Sheriff's internal control.

A deficiency in internal control exist 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

MADISON PARISH SHERIFF

Tallulah, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

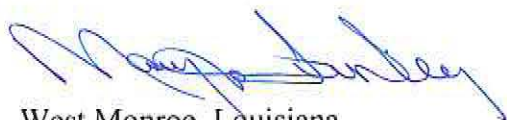
June 30, 2022

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison Parish Sheriff's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



West Monroe, Louisiana

November 30, 2022

MADISON PARISH SHERIFF
Tallulah, Louisiana

Schedule of Audit Results
For the Year Ended June 30, 2022

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unmodified opinion on the basic financial statements of the Madison Parish Sheriff.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

MADISON PARISH SHERIFF
Tallulah, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

There were no audit findings reported in the audit for the year ended June 30, 2021.

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Madison Parish Sheriff
P.O. Box 877
Minden, LA 71058

To the Madison Parish Sheriff

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Management of Madison Parish Sheriff is responsible for those C/C areas identified in the SAUPs.

Madison Parish Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. 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 and associated findings are as follows:

AGREED-UPON PROCEDURES

WRITTEN POLICIES AND PROCEDURES

1. 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 (or report that the entity does not have any written policies and procedures):
 - A. Budgeting, including preparing, adopting, monitoring, and amending the budget.
 - B. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - C. Disbursements, including processing, reviewing, and approving

- D. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation)
- E. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked and (3) approval process for employees(s) rate of pay or approval and maintenance of pay rate schedule.
- F. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- G. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statement, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- H. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- I. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- J. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- K. 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.
- L. Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and address the function noted above.

BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)

The Sheriff does not have a board or finance committee, so this section is not applicable.

2. Obtain and inspect the board/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:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on all special revenue funds.
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

BANK RECONCILIATIONS

3. 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) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - B) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and,
 - C) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

The agency provided me with a certified list of all bank accounts. May, 2022 was randomly selected to be tested. For the 5 bank accounts selected for testing it was determined that all bank reconciliations were performed by Chief Financial Officer and reviewed by the Sheriff. There was evidence that the reconciliations are performed within 60 days of the bank statement date. One of the 5 accounts selected to test had outstanding reconciling items over 12 months.

Agency Response: Agency is in the process of investigating the old outstanding items.

COLLECTIONS

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

Agency provided me with a certified list of deposit sites and I verified that it was complete.

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

- A) Employees responsible for cash collections do not share cash drawers/registers.
- B) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- C) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- D) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The agency has 2 collection locations with one cash drawer at the Sheriff's office and one at the jail. Multiple deputies work out of the cash drawer for tax collections and criminal fund. Two deputies reconcile the cash drawer and give to the accounts payable deputy to verify that the deposit is reconciled to support. A uniformed deputy makes the deposit and gives the deposit slip to the accounts payable clerk for filing. Collections over the counter for tax collector and criminal fund are posted to the accounting software when collected. The mail is opened by the 2 front office deputies who give general fund and civil fund checks to the Chief Financial Officer who posts the checks to the accounting software. The Chief Financial Officer gives the checks and accounting reports to the accounts payable clerk who verifies and prepares the bank deposit. Bank reconciliations are prepared by the Chief Financial Officer and there was written documentation that the reconciliations are reviewed by the Sheriff.

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

The Madison Parish Sheriff's office does not have an employee dishonesty policy for the sheriff's office employees that handle cash and cash equivalents. They have surety bond coverage on the chief financial officer and the sheriff.

Agency response: The Sheriff's office only accepts cash for cash bonds. The Sheriff and the Chief Financial Officer have surety bond coverage.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statement 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:
 - A) Observe that receipts are sequentially pre-numbered.
 - B) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - C) Trace the deposit slip total to the actual deposit per the bank statement.
 - D) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - E) Trace the actual deposit per the bank statement to the general ledger.

The Sheriff's office does not use pre-numbered receipts. If a receipt is requested, it is printed from the computer. All collection payments are posted to the funds when received by the deputies and all deputies work out of the same cash drawer. A different deputy reconciles the cash drawer and makes the deposit. Deposits are made daily.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

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

Agency provided a complete list of locations that process payments and represented that the list was complete.
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- A) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- B) At least two employees are involved in processing and approving payments to vendors.
- C) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- D) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The Madison Parish Sheriff uses purchase orders and requisitions. The employees initiate purchases and the Sheriff, chief financial officer or the accounts payable clerk approves and then authorizes the purchases. A designated deputy tracks and prepares purchase orders but does not have authority to approve them. Of the disbursements selected to be tested, all were processed with all of the required support. The chief financial officer adds all new vendors, with the approval of the Sheriff. The accounts payable deputy enters all invoices into the software and services accounting system and initiates the checks. The sheriff and the chief financial officer sign all checks (2 signatures are required). The Sheriff reviews the financial reports and all invoices.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - A) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - B) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

All disbursements selected to be tested had the proper support documentation. The employees initiate the purchase and supervisors approve all purchases. The accounts payable clerk initiates all checks and the chief financial officer or the sheriff sign all checks. The chief financial officer reconciles the bank statement and the sheriff reviews all reconciliations.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

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

The agency provided me with a certified statement for all credit cards, fuel cards, etc.

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

A) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, (or electronically approved), by someone other than the authorized card holder.

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

The Sheriff has 1 credit card account and 1 fuel card account with multiple individual cards that are assigned to the vehicles. The Sheriff is ultimately responsible for all purchases. All transactions tested had the proper documentation. The chief financial officer or authorized card holder initiates all purchases and the chief financial officer approves all purchases. All transactions tested appeared to be for business purposes. The chief financial officer reconciles the bank statement and the sheriff reviews all reconciliations. The Sheriff and deputies are the authorized card holders.

There was written documentation that the fuel card statements were reviewed for exceptions, unusual charges or excessive fuel charges by the accounts payable clerk. No exceptions were noted.

There were no finance charges or late fees noted on the statements selected for testing.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The credit card was selected to test and May, 2022 was selected as the test month. 10 transactions were selected to test on Capital One credit card. The credit charges tested were for business purposes. There was proper documentation for the credit card purchases. There were no charges on the credit card that meet the requirements for using the bid law.

TRAVEL AND EXPENSE REIMBURSEMENT

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

The agency provided me with a certified list of travel or related expense reimbursements during the testing period and represented that the list was complete. I randomly selected 5 reimbursements were selected to be tested.

- A) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- B) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- C) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- D) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

The agency has written policies or procedures for travel. The 5 randomly selected reimbursements for travel were tested against the policy - no exceptions noted. It was noted the expenditures were for business purposes. All reimbursements were supported by proper documentation. The Sheriff, chief criminal deputy or the chief financial officer review and approve all travel reimbursements. Agency uses per diem for meal reimbursements and charges tested were in compliance with agency policies and procedures.

CONTRACTS

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

The agency provided a certified list of contracts in effect during the test period.

- A) 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.
- B) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- C) If the contract was amended (e.g., change order), observe 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, was approval documented.).
- D) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

The agency provided a certified statement for all contracts in effect during the test period. None of the contracts tested required compliance with the public bid law. The agency did solicit quotes to get the best deal for the Sheriff's office. The contracts selected were not amended. The contract payments that were tested were in compliance with the contract terms and conditions. All contracts are approved by the Sheriff.

PAYROLL AND PERSONNEL

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

The agency provided a certified list of all employees with their authorized salaries. I randomly selected 5 employees and agreed them to authorized salaries. No exceptions were noted.

- 17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - A) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - B) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - C) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

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

Of the 5 employees selected, all employees that are eligible to earn leave time documented their leave time taken. Timesheets were properly approved by the supervisors. The agency tracks leave time earned and used. The employees are not allowed to accumulate leave time and carry forward, and are not compensated upon termination. The 5 employees of the Sheriff that were chosen to be tested were paid in accordance with the terms and conditions of their employment. All changes to the salaries of the 5 employees chosen were approved by the Sheriff in writing.

- 18. 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, 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 or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

The agency provided a certified list noting the number of employees that were terminated during the test period. Two employees were randomly selected to be tested. They were not paid for any excess time or unauthorized pay rates. The termination pay appeared to agree with agency policies and procedures.

- 19. 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.

During testing of the agency it was determined that the Madison Parish Sheriff is submitting payroll tax, retirement contributions, and required forms by the required deadlines.

ETHICS (EXCLUDING NONPROFITS)

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management and:

- A) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- B) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethic policy during the fiscal period, as applicable.

The agency provided support for ethics training for the 5 employees. There were no changes to the ethics policy during the fiscal period.

DEBT SERVICE

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

The Madison Parish Sheriff had no bonds/notes or other debt instruments issued during the fiscal period that required bond commission approval.

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

The Madison Parish Sheriff had no outstanding debt during at the end of the fiscal period.

OTHER

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

The Madison Parish Sheriff has no known misappropriation of funds during the test period.

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

I observed the fraud hotline notice posted on the premises and the agency website.

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

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

A) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a

physical medium (e.g., tapes, CDS), observe evidence that the backups are encrypted before being transported.

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

I performed the procedure and discussed the results with management. It appears agency is in compliance with attributes above.

SEXUAL HARASSMENT

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The agency was unable to provided support for sexual harassment training for the 5 employees randomly selected to be tested.

27. Observe 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).

I observed the sexual harassment policy posted on the premises and on the agency website.

28. 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 it includes the applicable requirements of R.S. 42:344;

- A) Number and percentage of public servants in the agency who have completed the training requirements;
- B) Number of sexual harassment complaints received by the agency;
- C) Number of complaints which resulted in a finding that sexual harassment occurred;
- D) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

E) Amount of time it took to resolve each complaint.

For the current fiscal period the sheriff's office did not prepare an annual report in February, 2022 for fiscal period 2021. The agency did not have any complaints noted during the test period.

Agency Response: Agency was unaware of the requirement for all employees to take one hour of sexual harassment training and the additional sexual harassment training. The employees have taken the hour of sexual harassment training for the current period. The agency will also prepare the required report at the end of the year.

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

I am required to be independent of Madison Parish Sheriff and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

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



Mary Jo Finley, CPA
November 30, 2022