

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Financial Report

Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

The Honorable Gregory Champagne
St. Charles Parish Sheriff
Hahnville, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, major fund, fiduciary fund, and aggregate remaining fund information of the St. Charles Parish Sheriff as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the St. Charles Parish Sheriff's basic financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the St. Charles 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 Responsibility for the Audit of the Financial Statements

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

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we have 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 Schedules 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 Pension 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 be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

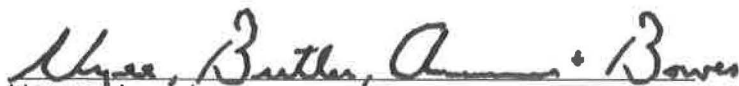
Our audit was conducted for purpose of forming opinions on the financial statements that collectively comprise the St. Charles Parish Sheriff's basic financial statements. The accompanying schedule of the general fund comparative balance sheet, the debt service balance sheet and schedule of revenues, expenditures and changes in fund balance, the custodial funds combining balance sheet and statement of changes in assets and liabilities, the schedule of compensation, benefits and other payments to the agency head, the schedule of expenditure of federal awards, and the justice system funding schedules as listed in the Table of Contents, are 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these supplementary information schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the St. Charles Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 St. Charles 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, we have issued a report, dated December 21, 2022, on the results of our 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 wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



Harvey, Louisiana
December 21, 2022

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited)

Within this section of the St. Charles Parish Sheriff's (the Parish Sheriff) annual financial report, the Parish Sheriff's management provides this narrative discussion and analysis of the financial activities of the Parish Sheriff for the fiscal year ended June 30, 2022. The Parish Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Parish Sheriff's assets exceeded its liabilities by \$28,390,501 (net position) for the fiscal year reported.

Total net position is comprised of the following:

- 1 Investment in capital assets, net of related debt of \$19,279,821 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase of capital assets.
- 2 Net position of \$200,479 is restricted by constraints imposed by lenders for debt service.
- 3 Unrestricted net position of \$8,910,201 represents the portion available to maintain the Parish Sheriff's continuing obligations to citizens and creditors.

The Parish Sheriff's General Fund reported total ending fund balance of \$38,611,382 this year. This compares to the prior year ending fund balance of \$40,167,678 showing a decrease of \$1,556,296 during the current year. The classification of the fund balance into various categories is described in Note M on page 28.

The unassigned fund balance is 72% of total General Fund expenditures which includes transfers to debt service fund and is 74% of General Fund revenues which compares to the prior year of 83% and 71%, respectively.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Parish Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Parish Sheriff also includes in this report additional information to supplement the basic financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of financial position presenting information that includes all of the Parish Sheriff's assets and liabilities, with the difference 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 Parish Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Parish Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

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

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

The government-wide financial statements are presented on pages 13 and 14 of this report.

FUND FINANCIAL STATEMENTS

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

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15 and 17 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending court action, and the individual prison inmate accounts. The Parish Sheriff's fiduciary funds consist solely of Custodial Funds.

The basic custodial fund financial statement is presented on page 19 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Parish Sheriff's budget presentations. Budgetary comparison schedules are included as "required supplementary information" for the General Fund. These schedules demonstrate compliance with the Parish Sheriff's adopted and final revised budget. Required supplementary information can be found on pages 54-58 of this report.

In addition, more detailed information for the General Fund, Debt Service Fund and Agency Funds are presented as "other supplementary information" presented on pages 59 through 70 of this report.

FINANCIAL ANALYSIS OF THE PARISH SHERIFF AS A WHOLE (DOLLARS ARE IN THOUSANDS)

The Parish Sheriff implemented the new financial reporting model used in this report to increase financial transparency. Over time, year-to-year financial information has been accumulated on a consistent basis and changes in net position may be observed and used to discuss the changing financial position of the Parish Sheriff as a whole.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

The Parish Sheriff's net position at fiscal year-end is \$28,390,501. The following table provides a summary of the Parish Sheriff's net position at June 30, 2022, 2021, and 2020.

Summary of Net Position

	Governmental Activities 2022		Governmental Activities 2021		Governmental Activities 2020	
		%Total		%Total		%Total
Assets:						
Current assets and other assets	\$ 58,681,200	65%	\$ 62,556,505	67%	\$ 45,883,911	60%
Capital assets	<u>30,954,821</u>	<u>35%</u>	<u>31,418,268</u>	<u>33%</u>	<u>30,461,410</u>	<u>40%</u>
Total assets	<u>89,636,021</u>	<u>100%</u>	<u>93,974,773</u>	<u>100%</u>	<u>76,345,321</u>	<u>100%</u>
Liabilities:						
Current liabilities	1,216,540	2%	1,254,657	2%	865,887	1%
Long-term liabilities	<u>60,028,980</u>	<u>98%</u>	<u>75,498,916</u>	<u>98%</u>	<u>70,745,958</u>	<u>99%</u>
Total liabilities	<u>61,245,520</u>	<u>100%</u>	<u>76,753,573</u>	<u>100%</u>	<u>71,611,845</u>	<u>100%</u>
Net position:						
Investment in capital assets, net of debt	19,279,821	68%	18,553,268	108%	16,436,410	347%
Restricted	200,479	1%	213,784	1%	231,157	5%
Unrestricted	<u>8,910,201</u>	<u>31%</u>	<u>(1,545,852)</u>	<u>-9%</u>	<u>(11,934,091)</u>	<u>-252%</u>
Total net position	<u>28,390,501</u>	<u>100%</u>	<u>17,221,200</u>	<u>100%</u>	<u>4,733,476</u>	<u>100%</u>

The Parish Sheriff continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at June 30, 2022 is 48.24 to 1 (49.86 to 1 for 2021, 52.99 to 1 for 2020).

Net position increased \$11,169,301 for governmental activities in fiscal year ending 2022 compared to \$12,487,724 increase for 2021 and \$4,743,014 decrease for 2020. Note the decrease in long-term liabilities, as the total Pension Liability for 2022 decreased from a \$23.5 million liability to a \$1.7 million asset.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

The following table provides a statement of the Parish Sheriff's condensed statement of activities and changes in net position.

Condensed Statement of Activities and Changes in Net Position						
	2022		2021		2020	
	Governmental	Percentage	Governmental	Percentage	Governmental	Percentage
	Activities	of Total	Activities	of Total	Activities	of Total
Revenues:						
Program:						
Charges for services/fines	\$ 8,181,511	16%	\$ 8,776,285	16%	\$ 9,951,262	20%
Operating and capital grants	3,848,655	7%	6,175,380	11%	764,933	2%
General:						
Property taxes	34,317,327	66%	36,560,129	65%	33,616,760	67%
Unrestricted state grants	4,076,967	8%	4,021,460	7%	3,808,290	7%
Other-related to pension transition	0	0%	60,999	0%	1,493,430	3%
Interest	77,284	0%	35,687	0%	357,020	0%
Miscellaneous	1,369,671	3%	725,582	1%	381,537	1%
Total Revenues	51,871,415	100%	56,355,522	100%	50,373,232	100%
Program expenses:						
Public safety	40,374,914	99%	43,520,898	99%	54,824,980	99%
Interest on Long Term Debt	327,200	1%	346,900	1%	291,266	1%
Total expenses	40,702,114	100%	43,867,798	100%	55,116,246	100%
Change in net position	11,169,301		12,487,724		(4,743,014)	
Beginning net position	17,221,200		4,733,476		9,476,490	
Ending net position	\$ 28,390,501		\$ 17,221,200		\$ 4,733,476	

GOVERNMENTAL REVENUES

The Parish Sheriff is heavily reliant on property taxes to support its operations. Property taxes provided 66% of the Parish Sheriff's total revenues. Unlike many other agencies, the Parish Sheriff receives no sales tax revenue. The Parish Sheriff's financial position has enabled him to earn \$76,795 in interest to support governmental activities. Also, note that program revenues cover 23% of governmental operating expenses. This means that the government's taxpayers and the Parish Sheriff's other general revenues fund 77% of its operations.

GOVERNMENTAL FUNCTIONAL EXPENSES

The primary function of the Parish Sheriff is public safety activities (activities of general law enforcement nature). Other major functions are execution of district court orders and Ad valorem tax collection. Of the total costs, depreciation on the buildings, equipment, and vehicles was \$2,392,947.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

FINANCIAL ANALYSIS OF THE PARISH SHERIFF'S FUNDS

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$38,811,861. Of this year-end total, \$38,437,438 or 99% is unassigned indicating availability for continuing the Parish Sheriff activities. Legally restricted fund balances (i.e., the reserved fund balances) include: \$200,479 committed to the Sheriff's debt service.

MAJOR GOVERNMENTAL FUNDS

The General Fund is the Parish Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$1,556,296 from the prior year. This compares to prior fiscal years: 2021 increase of \$7,742,551, 2020 increase of \$2,574,957.

The main contributing factor to the decreased fund balance is:

- Decrease in Ad Valorem Collection \$2,242,801.

The General Fund's ending fund balance was 72% of annual expenditures (including debt service fund transfers) compared to 83% in 2021, 72% in 2020, 62% in 2019, and 62% in 2018.

BUDGETARY HIGHLIGHTS

General Fund

The General Fund's original and final revenue budgets varied by 3%. An increase of \$1,604,700 original to final budget was realized compared to \$7,868,792 for the prior year 2021. Increase in grants, were the primary reasons for the change for the fiscal year ending 2022.

The original and final expenditure budget varied by \$3,577,691 or a decrease of 7%.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Significant changes from original to final budget included:

Revenue

- Increase – Grants Federal \$ 3,610,000
- Decrease – Ad Valorem \$ 1,875,000

Budgeted expenditures is less than actual expenditures by \$16,177. Final budget revenue is less than actual revenue by \$374,040.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The Parish Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2022, was \$30,954,822. See Note 7 on page 36 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Capital Assets		
	Governmental Activities		
	2022	2021	2020
Depreciable assets:			
Buildings	\$ 34,995,461	\$ 34,995,461	\$ 34,550,401
Office equipment & furniture	15,874,386	15,256,318	13,642,459
Vehicles	10,159,999	9,224,134	9,037,712
Total depreciable assets	61,029,846	59,475,913	57,230,572
Less accumulated depreciation	30,975,718	28,958,339	27,669,856
Book value - depreciable assets	\$ 30,054,128	\$ 30,517,574	\$ 29,560,716
Book value - land	\$ 900,694	\$ 900,694	\$ 900,694
Total Capital Assets	\$ 30,954,822	\$ 31,418,268	\$ 30,461,410
Percentage depreciated	51%	49%	48%

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

At June 30, 2022, the depreciable capital assets for governmental activities were 51% depreciated, 2% change from the prior year.

The major capital additions were as follows:

30 Automobiles/Heavy Equipment	\$ 1,148,821
Chiller SCCC	\$ 67,716
Furniture	\$ 158,909

Long-term debt

At the end of the fiscal year, the Parish Sheriff had total certificates of indebtedness outstanding of \$11,675,000. The total amount of this debt is secured by General Fund ad valorem taxes. Other long term debt obligations include post employee benefits (OPEB) of \$28,385,382 which had a net decrease of \$6.3 million from the prior year. In addition, the net pension liability decreased from a liability of (\$23,479,244) to an asset of \$1,757,877 as of June 30, 2022. See note 11 pages 48 - 50 for detailed information regarding long-term debt.

CONTACTING THE PARISH SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Parish Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Parish Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Greg Champagne, Sheriff, St. Charles Parish Sheriff and Tax Collector, P.O. Box 426, Hahnville, LA 70057.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Statement of Net Position
June 30, 2022

ASSETS	
	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 10,557,777
Investments	27,873,712
Due from other governmental units	486,952
Other receivables	836,016
Inventories	34,199
Capital assets, net	30,954,821
Prepaid expenses	139,745
Pension asset	<u>1,757,877</u>
Total assets	<u>72,641,099</u>
Deferred outflows of resources – pension related	<u>16,994,922</u>
LIABILITIES	
Current Liabilities:	
Accounts and other accrued payables	1,116,540
Interest payable	100,000
Non-current Liabilities:	
Due within one year	1,332,248
Due in more than one year	<u>40,008,224</u>
Total liabilities	<u>42,557,012</u>
Deferred inflows of resources – pension related	<u>18,688,508</u>
NET POSITION	
Net invested in capital assets, net of related debt	19,279,821
Restricted for debt service	200,479
Unrestricted	<u>8,910,201</u>
Total net position	<u>\$ 28,390,501</u>

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Statement of Activities
Year Ended June 30, 2022

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Position</u>
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				
Public Safety	\$ (40,374,914)	\$ 8,181,511	\$ 3,848,655	\$ (28,344,748)
Interest on long-term debt	<u>(327,200)</u>	<u>-</u>	<u>-</u>	<u>(327,200)</u>
Total	\$ <u>(40,702,114)</u>	\$ <u>8,181,511</u>	\$ <u>3,848,655</u>	<u>(28,671,948)</u>
General revenues:				
Taxes -				
Property taxes levied for general purposes				34,317,327
Grants and contributions not restricted to specific programs				4,076,967
Video poker				435,023
Interest earnings				77,284
Insurance claims				305,902
Intergovernmental revenue				103,418
Gain on disposition of capital assets				152,013
Miscellaneous				148,207
Other income				<u>225,108</u>
Total general revenues				<u>39,841,249</u>
Change in net position				11,169,301
Net position at beginning of year				17,221,200
Net position at end of year				\$ <u>28,390,501</u>

See accompanying notes to basic financial statements.

FUND FINANCIAL STATEMENTS

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Balance Sheet – Governmental Funds
June 30, 2022

ASSETS

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Cash and cash equivalents	\$ 10,357,298	\$ 200,479	\$ 10,557,777
Investments	27,873,712	-0-	27,873,712
Receivables:			
Due from other governmental units	486,952	-0-	486,952
Other	836,016	-0-	836,016
Inventory	34,199	-0-	34,199
Prepaid expenses	<u>139,745</u>	<u>-0-</u>	<u>139,745</u>
Total assets	\$ <u>39,727,922</u>	\$ <u>200,479</u>	\$ <u>39,928,401</u>

LIABILITIES AND FUND BALANCE

Liabilities:			
Accounts and other accrued payables	\$ <u>1,116,540</u>	\$ <u>-0-</u>	\$ <u>1,116,540</u>
Total liabilities	<u>1,116,540</u>	<u>-0-</u>	<u>1,116,540</u>
Fund balance:			
Nonspendable	173,944	-0-	173,944
Restricted for debt service	-0-	200,479	200,479
Unassigned	<u>38,437,438</u>	<u>-0-</u>	<u>38,437,438</u>
Total fund balance	<u>38,611,382</u>	<u>200,479</u>	<u>38,811,861</u>
Total liabilities and fund balance	\$ <u>39,727,922</u>	\$ <u>200,479</u>	\$ <u>39,928,401</u>

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
HAHNVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022

Total fund balances for governmental funds at June 30, 2022		\$ 38,811,861
Amounts reported for governmental activities in the government - wide statement of net position are different because:		
The deferred outflows of contributions for the Sheriff's Pension and Relief Fund are not available resources and, therefore, are not reported in the governmental funds		
		16,994,922
Net pension asset		1,757,877
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:		
Land and buildings	35,896,155	
Vehicles	10,159,998	
Equipment and office furnishings	<u>15,874,386</u>	
	61,930,539	
Less accumulated depreciation	<u>30,975,718</u>	
Capital assets, net		30,954,821
Long - term liabilities and other liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Tax bonds	(11,675,000)	
Compensated absences payable	(1,280,090)	
Accrued interest payable	(100,000)	
Net other post employee benefits (OPEB) liability	<u>(28,385,382)</u>	(41,440,472)
The deferred inflows of contributions for the Sheriff's Pension and Relief Fund are not payable from current expendable resources And, therefore, are not reported in the governmental funds		
		<u>(18,688,508)</u>
Total net position of governmental activities at June 30, 2022		\$ <u>28,930,501</u>

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem property taxes	\$ 34,317,327	\$ -0-	\$ 34,317,327
Intergovernmental:			
Federal and state grants	3,848,655	-0-	3,848,655
State revenue sharing - net	388,572	-0-	388,572
State supplemental pay	1,377,696	-0-	1,377,696
Parish supplemental pay	2,310,699	-0-	2,310,699
Video poker	435,023	-0-	435,023
Fees, charges, and commissions for services:			
Civil and criminal fees	583,625	-0-	583,625
Court attendance	15,912	-0-	15,912
Feeding and keeping prisoners	4,833,573	-0-	4,833,573
Transporting prisoners	37,019	-0-	37,019
Paid details	1,297,124	-0-	1,297,124
Telephone commissions and other	1,414,258	-0-	1,414,258
Interest income	76,795	489	77,284
Miscellaneous:			
Contraband	20,534	-0-	20,534
Insurance claims	305,902	-0-	305,902
Donations	17,214	-0-	17,214
Other	91,001	-0-	91,001
Other income	225,108	-0-	225,108
Unclaimed checks	19,458	-0-	19,458
Total revenues	<u>51,615,495</u>	<u>489</u>	<u>51,615,984</u>
Other financing sources:			
Transfers from other funds	-0-	1,603,406	1,603,406
Intergovernmental revenue	103,418	-0-	103,418
Sale of assets	<u>170,083</u>	<u>-0-</u>	<u>170,083</u>
Total revenues and other financing sources	<u>51,888,996</u>	<u>1,603,895</u>	<u>53,492,891</u>
Expenditures:			
Current:			
Public safety:			
Personnel services and related benefits	39,508,036	-0-	39,508,036
Contracted services	2,889,734	-0-	2,889,734
Operation and maintenance	7,496,545	-0-	7,496,545
Debt service:			
Principal retirement	-0-	1,190,000	1,190,000
Interest and other charges	-0-	427,200	427,200
Capital outlay	<u>1,947,571</u>	<u>-0-</u>	<u>1,947,571</u>
Total expenditures	<u>51,841,886</u>	<u>1,617,200</u>	<u>53,459,086</u>
Other financing uses:			
Transfer to other funds	<u>1,603,406</u>	<u>-0-</u>	<u>1,603,406</u>
Total expenditures and other financing uses	<u>53,445,292</u>	<u>1,617,200</u>	<u>55,062,492</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,556,296)	(13,305)	(1,569,601)
Fund balances at beginning of year	<u>40,167,678</u>	<u>213,784</u>	<u>40,381,462</u>
Fund balances at end of year	<u>\$ 38,611,382</u>	<u>\$ 200,479</u>	<u>\$ 38,811,861</u>

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
HAHNVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Government-Wide Statement of Activities
Year Ended June 30, 2022

Total net changes in fund balances at June 30, 2022 per Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Fund		\$ (1,569,601)
Amounts reported for governmental activities in the government-wide statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the government - wide statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$1,947,571	
Depreciation expense for the year ended June 30, 2022	<u>2,392,947</u>	(445,376)
Cost less accumulated depreciation on capital assets sold		(18,070)
Tax Bond principal retirement not considered an expense on Statement of Activities		1,190,000
Difference between interest on long - term debt on modified accrual basis versus interest on long - term debt on an accrual basis		(100,000)
Excess of compensated absences earned over compensated absences used		19,390
Other income (expense) related to implementation of pension liability		(5,749,201)
Other post employee benefits (OPEB) liability implementation		<u>17,842,159</u>
Total change in net position of Governmental Activities at June 30, 2022		\$ <u>11,169,301</u>

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Custodial Funds
Statement of Fiduciary Net Position
June 30, 2022

ASSETS		Total Custodial Funds
Cash and cash equivalents	\$	3,560,491
Investments		<u>8,248</u>
Total assets	\$	<u>3,568,739</u>
LIABILITIES		
Due to General Fund	\$	2,855
Due to taxing bodies, prisoners and others		<u>3,565,884</u>
Total liabilities		<u>3,568,739</u>
NET POSITION		
Net position	\$	<u>-0-</u>

(See pages 60-62 for additional Custodial Fund information)

See accompanying notes to basic financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements

Introduction

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

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

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

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, activities, etc., that are controlled by the Sheriff as an independently elected parish official. There are no component units included or required to be included as part of the financial reporting entity. The Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursements of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of the local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the St. Charles Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

The accompanying financial statements have also been prepared in conformity with the following GASB Statements:

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows or Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

Statement No. 65, *Items previously reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

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 expense/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 services. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The statement addresses accounting and financial reporting for OPEB that is provided to employees of state and local governmental employers. This statement replaces the requirements Statement No. 45, *Accounting and financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

Statement No. 84, *"Fiduciary Activities"* improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. This Statement did not affect the financial statements as of and for the year ended June 30, 2022.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation - continued

Statement No. 87, "*Leases*" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

Statement No. 88, *Certain Disclosure Related to Debt, including Direct Borrowings and Direct Placements*. GASB Statement No. 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, 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*.

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

Fiduciary Funds of the Parish Sheriff (which are shown on pages 60-62) are excluded from the presentation of the Government-Wide Financial Statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

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

Governmental Funds

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

Debt Service Fund - This fund is used to account for the accumulation of resources for the payment of bond principal and interest.

Capital Projects Fund - This fund is used to account for the acquisition and construction of major capital facilities.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Sheriff are custodial funds. The custodial funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the custodial funds have no measurement focus, but use the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

C. Measurement Focus/Basis of Accounting - Continued

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reporting using the current financial resources measurement focus and are accounted for using 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 property taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of each year.

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

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

Expenditures

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Deferred Inflows/Outflows of Resources

The Sheriff reports deferred inflows/outflows of resources when potential revenue or expenditures do not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the Sheriff before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue/expenditure recognition criteria are met deferred inflows/outflows of resources are removed and revenue/expenditure are recognized.

D. Budgets

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

1. The chief civil deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted on June 24, 2021 and as finally amended on June 2, 2022.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

E. Cash and Cash Equivalents

Cash includes cash on hand, amounts in demand deposits, interest-bearing demand deposits and time deposits. Cash equivalents include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

F. Investments

Under state law, the Sheriff may invest in United States bonds, treasury notes, treasury bills, any other federally insured investment or Louisiana Asset Management Pool, Inc. (LAMP). LAMP operates under Louisiana law as a cooperative endeavor to assist local Louisiana governmental entities in the investment of cash balances. LAMP invests in obligations issued by the U.S. Government, its agencies, and instrumentalities. LAMP is subject to regulatory oversight of the state treasurer and its board of directors. Audited financial statements are available from LAMP.

Investments which mature in 90 days or less from the date acquired are classified as cash equivalents. Investments are stated at cost or at amortized cost which approximates fair value.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Inventory

The inventory is stated at cost, which is determined by the first-in, first-out method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed or used. The reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute an "available spendable resource" even though it is a component of total assets.

I. Prepaid Items

Prepaid balances are for payments made by the Sheriff in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

J. 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 \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives.

<u>Asset Class</u>	<u>Estimated Useful Lives in Years</u>
Buildings	20-50
Vehicles	5
Equipment and office furnishings	5-7

K. Compensated Absences

Employees of the Sheriff's office earn from 4 to 20 hours per month of vacation leave depending on total years of service and number of hours worked. The maximum vacation leave carryover allowed on September 1st of each year is 120 hours unless otherwise approved. Unused vacation leave is payable upon termination of employment. Employees earn from 6 to 10 hours per month of sick leave depending on total years of service. Sick leave may be accumulated; however, if an employee resigns, or is terminated, the accumulated sick leave is forfeited. If an employee retires with 15 or more years of service with the St. Charles Parish Sheriff's Office and meets the retirement requirements of the Louisiana Sheriff's Pension and Relief Fund, the employee may apply for Terminal Leave. Terminal Leave is a period of time immediately prior to retirement and is compensated at the rate of the employee's current salary. Terminal Leave is credited at 50% of the employee's sick leave balance up to a maximum of 1,040 hours. Employees who retire and do not meet the eligibility requirements for Terminal Leave forfeit the accumulated sick leave.

In lieu of payment for overtime work, some non-enforcement employees (principally clerical) accrue compensatory leave. The limitation on the amount of compensatory leave which may be accrued is 240 hours in accordance with The Fair Labor Standards Act. Employees who exceed this limit are paid overtime. Upon termination of employment, payment is made for unused compensatory leave.

At June 30, 2022, the accrued accumulated and vested vacation and compensatory leave was \$1,280,090.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

L. Net Position

Net position comprise the various net earnings from revenues and expenses. Net position are classified in the following components:

- a. Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of assets and deferred outflows of resources less liabilities and deferred inflows of resources (net position) with constraints placed on the use either by (1) external groups such as creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”
- d. The Sheriff applies GASB Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent.

M. Fund Equity

In the fund financial statements, governmental fund equities are classified in the following categories: *Nonspendable* – amounts that are not expected to be converted to cash; *Restricted* – amounts that may be used only for a specific purpose because of constitutional or externally imposed constraints; and *Unassigned* – the residual equity which is available for future appropriation and use.

N. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

O. 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.

P. Pension and Relief Fund

The Sheriff's Pension and Relief Fund (Fund) 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 sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office.

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

Basis of Accounting:

The Sheriffs Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2022.

During the year ended June 30, 2014, the Fund adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*. GASB Statement No. 67 established new standards of financial reporting for defined benefit pension plans. Significant changes included specifying the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan. The provisions of this statement were retroactively applied to the fiscal year ended June 30, 2013.

Fund Employees:

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

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.

Q. Post-Retirement Health Care and Life Insurance Benefits

In accordance with the requirements of GASB Statement No. 75, the Sheriff recognizes the cost of postemployment healthcare and life insurance benefits in the year when employee services are received, recognizes a liability for OPEB obligations, (known as the net OPEB liability, on the statement of net position), and provides information useful in assessing potential demands on the Sheriff's future cash flows. Changes in the net OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

(2) Cash and Cash Equivalents

At June 30, 2022, the sheriff had cash and cash equivalents (book balances) totaling \$13,917,791 as follows:

	<u>Governmental Funds</u>	<u>Custodial Funds</u>	<u>Total</u>
Interest-bearing demand deposits	\$10,354,698	\$ 3,566,062	\$ 13,920,760
Non-interest-bearing demand deposits	-0-	(5,569)	(5,569)
Cash on hand (petty cash and change funds)	<u>2,600</u>	<u>-0-</u>	<u>2,600</u>
Total	<u>\$10,357,298*</u>	<u>\$ 3,560,493</u>	<u>\$ 13,917,791</u>

*(\$10,357,298 plus debt service cash equivalents of \$200,479 equals \$10,557,777 for governmental activities total)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

At June 30, 2022 the sheriff had \$15,596,963 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal deposit insurance (F.D.I.C.) and \$15,162,415 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3), except as described below:

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Cash and Cash Equivalents - continued

As of June 30, 2022, the sheriff had an account at a local bank totaling \$192,822 of which all was secured by F.D.I.C. insurance.

Even though the pledged securities are considered uncollateralized (Category 3), under the provisions of GASB Statement 3, Louisiana Revised Statutes 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 has failed to pay deposited funds upon demand.

(3) Investments

At June 30, 2022 the Sheriff's investments totaled \$27,881,960 as follows:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
LAMP, at amortized cost	\$ 27,430,890	\$ -0-	\$ 27,430,890
Time deposits, at cost	250,000	8,248	258,248
Other deposits, at cost	<u>192,822</u>	<u>-0-</u>	<u>192,822</u>
Total	<u>\$ 27,873,712</u>	<u>\$ 8,248</u>	<u>\$ 27,881,960</u>

The Sheriff can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law. The Sheriff's investments are categorized to give an indication of the level of risk assumed by the Sheriff at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Sheriff or his agent in the Sheriff's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the Sheriff's name.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by the GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc.; a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a-7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Investments – continued

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

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

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

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

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purpose of determining participants' shares, investments are valued at amortized cost. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange and Commission's (SEC's) Rule 2a-7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a-7.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Ad Valorem Property Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem property taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the tax assessor of St. Charles Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions. Ad valorem property taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2022 law enforcement taxes applicable to the Sheriff's General Fund were levied at the rate of 21.58 mills on property with assessed valuations totaling \$1,703,286,291.

The activity of the tax collections and disbursements are shown in the supplemental information section of this report under "Agency Funds." The Tax Collector Agency Fund as of year end contained \$267,755 of "unsettled balances."

The unsettled balances of \$267,755 due to taxing bodies and others at June 30, 2022 consist of \$8,243 in protested taxes, \$259,420 in prior years taxes, and \$92 in interest.

The Schedule of Collections, Distributions and Unsettled Balances for the year ended June 30, 2022 is as follows:

Unsettled balances at July 1, 2021	\$ <u>275,009</u>
Collections:	
Ad valorem property taxes	188,545,072
State revenue sharing (See note below)	1,039,064
Parish occupational licenses	1,539,287
Interest earned	38,862
Tax notices, costs, etc.	390
Other	356,653
Total collections	<u>191,519,328</u>
Total available for distributions	<u>191,794,337</u>
Distributions:	
St. Charles Parish:	
Assessor	2,109,022
Clerk of Court	855
Council	48,410,998
Hospital Service District	8,511,983
School Board	86,016,275
Sheriff	34,958,565
State of Louisiana:	
Lafourche Levee District	3,036,618
State Treasury - Pontchartrain Levee District	2,708,301
Refunds and redemptions	506,603
Pension funds	5,267,362
Total distributions	<u>191,526,582</u>
Unsettled balances at June 30, 2022	\$ <u>267,755</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Ad Valorem Property Taxes - continued

The Schedule of Uncollected Taxes for the year ended June 30, 2022 is as follows:

<u>AD VALOREM TAXES-CURRENT YEAR</u>	<u>UNCOLLECTED PER RECORD</u>
Assessor's Tax	\$ 11,875
Fire Protection M & O	14,433
Parish Courthouse Bonds	28,409
Hospital Bonds	22,198
Hospital Bonds	5,481
Hospital Bonds	456
Hospital Bonds	7,034
Hospital Bonds	9,135
Public Hospital M & O	5,846
Parish Health Unit	5,572
Law Enforcement I	162,599
Mosquito Control	9,683
Council on Aging	8,587
Council on Aging	7,125
Library M & O	41,380
Parish Recreation I	26,491
Public Sewerage Bonds	19,732
Public Roads	53,894
Road Lighting District	9,007
School Bonds	82,670
School Const. & Improv	39,736
School Maintenance	384,208
E-911 Telephone Service M & O	9,135
Lafourche Basin Levee	23,004
Pontchartrain Levee	10,549
Law Enforcement II	34,530
Levees & Protection	36,448
ARC	6,029
Grass Fee	322
Total Uncollected	<u>\$1,075,568</u>

The Schedule of Categories of Uncollected Taxes for the year ended June 30, 2022 is as follows:

Total	LTC	Refunds	Refunds
<u>Uncollected</u>	<u>Reductions</u>	<u>Refunds</u>	<u>To Process</u>
\$1,075,568	\$115,571	\$(44,495)	\$1,004,492

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Ad Valorem Property Taxes - continued

Note - The state revenue sharing funds provided by Act 641 of 2006, which were received during the year ended June 30, 2022 were deposited in the Tax Collector Agency Fund and allocated among the taxing bodies as follows:

St. Charles Parish:	
Assessor	\$ 29,932
Community Service	30,000
Council	189,029
Hospital Service District	23,946
School Board	273,065
Sheriff:	
Law Enforcement District	285,500
Commission on collection	103,072
Lafourche Basin Levee District	45,710
Pension Funds	19,120
Pontchartrain Levee District	<u>39,690</u>
Total	<u>\$ 1,039,064</u>

(5) Due From Other Governmental Units

Amounts due from other governmental units at June 30, 2022, all of which were subsequently collected, consisted of the following:

New Orleans Aviation Board	\$ 14,490
St. Charles Parish Council	416,424
State of Louisiana	49,006
U.S. Treasury	<u>7,032</u>
	<u>\$ 486,952</u>

(6) Other Receivables

Other receivables are comprised of the following, all of which were collected subsequent to June 30, 2022.

Due from Fiduciary Funds	\$ 67,895
Accrued interest	347
Other accrued revenues	<u>767,774</u>
	<u>\$ 836,016</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2022 are as follows:

<u>Governmental Activities</u>	Balance, July 1, 2021	Additions	Reductions	Balance, June 30, 2022
Land	\$ 900,694	\$ -0-	\$ -0-	\$ 900,694
Buildings	34,995,461	-0-	-0-	34,995,461
Vehicles	9,224,134	1,148,821	212,956	10,159,999
Equipment and office furnishings	<u>15,256,318</u>	<u>798,750</u>	<u>180,682</u>	<u>15,874,386</u>
Total	<u>60,376,607</u>	<u>1,947,571</u>	<u>393,638</u>	<u>61,930,540</u>
Less accumulated depreciation:				
Buildings	10,681,545	827,157	-0-	11,508,702
Vehicles	6,553,589	706,669	198,896	7,061,362
Equipment and office furnishings	<u>11,723,205</u>	<u>859,121</u>	<u>176,672</u>	<u>12,405,654</u>
Total	<u>28,958,339</u>	<u>2,392,947</u>	<u>375,568</u>	<u>30,975,718</u>
Capital assets, net	<u>\$ 31,418,268</u>	<u>\$ (445,376)</u>	<u>\$ 18,070</u>	<u>\$ 30,954,822</u>

Depreciation expense for the years ended June 30, 2022 and 2021 were \$ 2,392,947 and \$2,013,944, respectively.

(8) Pension and Deferred Compensation Plans

Employees of the St. Charles Parish Sheriff participate in a pension plan and a deferred compensation plan, which is described in the following sections. The Sheriff's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date- an Amendment of GASB 68. These standards require the Sheriff's office to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

- A. PLAN DESCRIPTION: The St. Charles Parish Sheriff contributes to the Sheriffs' Pension and Relief Fund, a cost-sharing multiple employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171. It provides retirement, disability, and survivor benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

A. PLAN DESCRIPTION – (Continued)

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

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

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

For a member whose first employment making him eligible for membership in the system began on or 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.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

A. PLAN DESCRIPTION – (Continued)

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

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

A. PLAN DESCRIPTION – (Continued)

period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Permanent Benefit Increases/Cost of Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, the Fund allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature. Cost-of-living provisions for the Fund allows the board of trustees to provide an annual cost-of-living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost-of-living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost-of-living adjustments is dependent on the funded ratio.

B. EMPLOYER CONTRIBUTIONS:

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2021, the actual employer contribution rate was 12.25%. Employer contributions to the statewide system for the year ended June 30, 2021, were \$89,432,304.

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. Non-employer contributions to the statewide system for the year ended June 30, 2021, were \$46,191,649.

C. SCHEDULE OF EMPLOYER ALLOCATIONS:

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

The allocation method used in determining each employer's proportion was based on each employers' contributions to the Fund during the fiscal year ended June 30, 2021, as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2021.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

D. SCHEDULE OF PENSION AMOUNTS BY EMPLOYER:

The schedule of pension amounts by employer displays each employer's allocation of the net pension liability(asset), the various categories of deferred outflows of resources, the various categories of deferred inflows of resources, and the various categories of pension expense. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocations.

E. ACTUARIAL METHODS AND ASSUMPTIONS:

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

The components of the net position liability(asset) of the Fund's employers as of June 30, 2021 are as follows:

	Total Plan 2021	St. Charles Parish Sheriff 2022
Total Pension Liability	\$ 4,770,649,122	\$ 169,230,285
Plan Fiduciary Net Position	(4,820,204,144)	(170,988,162)
Total Net Pension (Asset)	<u>\$ (49,555,022)</u>	<u>\$ (1,757,877)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Individual Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation
Discount Rate	6.90%
Projected Salary Increases	5.00% (2.50% Inflation, 2.50% Merit)
Mortality Rates	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. 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 scales.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

E. ACTUARIAL METHODS AND ASSUMPTIONS – (Continued)

Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled retirees, each with full generational projection using the appropriate MP2019 scale.

Expected Remaining
Service Lives

2021 – 5 years
2020 – 6 years
2019 – 6 years
2018 – 6 years
2017 – 7 years
2016 – 7 years

Cost of Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

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

Estimates of arithmetic real rates of return for each major asset class based of the Fund's target asset allocation as of June 30, 2021, were as follows:

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

E. ACTUARIAL METHODS AND ASSUMPTIONS – (Continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long - Term Expected Rate of Return</u>	
		<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity Securities	62%	7.08%	4.39%
Fixed Income	25	1.44	.36
Alternative Investments	13	4.38	.57
Totals	100%		5.32
Inflation			2.55
Expected Arithmetic Nominal Return			7.87%

The discount 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.

F. SENSITIVITY TO CHANGES IN DISCOUNT RATE: (Based on prior year)

The following presents the net pension liability(asset) of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' net pension liability(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2021.

	<u>Changes in Discount Rate:</u>		
	<u>1% Decrease 5.90%</u>	<u>Current Discount Rate 6.90%</u>	<u>1% Increase 7.90%</u>
Net Pension Liability Asset	<u>\$ 544,108,956</u>	<u>\$(49,555,022)</u>	<u>\$(544,481,447)</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

G. CHANGE IN NET PENSION LIABILITY(ASSET): (Based on prior year)

The changes in the net position liability(asset) for the year ended June 30, 2021 were recognized in the current reporting period except as follows:

Difference between Expected and Actual Experience:

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The differences between expected and actual experience resulted in deferred inflows of resources as of June 30, 2021, as follows:

				June 30, 2021	
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2021	\$ -	\$ 16,723,741	\$ (3,344,748)	\$ -	\$ 13,378,993
2020	-	16,319,333	(3,263,867)	-	13,055,466
2019	-	11,464,960	(2,866,240)	-	8,598,720
2018	-	31,809,391	(10,603,130)	-	21,206,261
2017	-	12,668,227	(4,222,742)	-	8,445,485
2016	-	8,632,346	(4,316,173)	-	4,316,173
			Totals	\$ -	\$ 69,001,098

Differences between Projected and Actual Investment Earnings:

The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The differences between projected and actual investment earnings resulted in a net deferred inflow of resources as of June 30, 2021, as follows:

				June 30, 2021		
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	Net Deferred Inflows
2021	\$ -	\$748,715,246	\$(149,743,049)	\$ -	\$ 598,972,197	\$(598,972,197)
2020	168,891,645	-	42,222,911	126,668,734	-	126,668,734
2019	48,565,499	-	16,188,499	32,377,000	-	32,377,000
2018	-	15,152,550	(7,576,275)	-	7,576,275	(7,576,275)
2017	-	35,786,016	(35,786,016)	-	-	-
			Totals	\$159,045,734	\$ 606,548,472	\$(447,502,738)

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

Changes of Assumptions:

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions resulted in deferred outflows of resources as of June 30, 2021 as follows:

				June 30, 2021	
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2021	\$ 36,180,573	\$ -	\$ 7,236,115	\$ 28,944,458	\$ -
2020	60,208,402	-	12,041,680	48,166,722	-
2019	47,818,129	-	11,954,532	35,863,597	-
2018	32,866,014	-	10,955,338	21,910,676	-
2017	17,980,176	-	5,993,391	11,986,785	-
2016	11,242,490	-	5,621,244	5,621,246	-
			Totals	<u>\$152,493,484</u>	<u>\$ -</u>

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability(asset) and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in proportion are presented in the Schedule of Pension Amounts by Employer as deferred outflows or deferred inflows as of June 30, 2021.

H. CONTRIBUTIONS – PROPORTIONATE SHARE:

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

At June 30, 2022, 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
Beginning balance at July 1, 2021	\$ 21,027,186	\$ 3,232,853
Reversal of prior year entry for contributions subsequent to measurement period	(9,047,932)	-0-
Change in deferred inflows from prior year	-0-	15,455,655
Amortizations of deferred outflows	(673,869)	-0-
Contributions subsequent to the measurement date	5,689,537	-0-
Total	<u>\$ 16,994,922</u>	<u>\$ 18,688,508</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Pension and Deferred Compensation Plans – Continued

H. CONTRIBUTIONS – PROPORTIONATE SHARE: - (Continued)

Proportionate Share of Employer Contributions \$3,172,452

Proportionate Share of Non-Employer Contributions \$1,638,567

Schedule of Remaining Amortization

<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
\$(2,196,250)	\$(2,026,949)	\$(2,835,105)	\$(4,533,128)	\$(11,591,432)

I. ESTIMATES:

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

J. FUNDING POLICY:

Plan members are required to contribute 12.25% (of which the employee contributes 5% and the Sheriff contributes 7.25%) of their annual covered salary. In addition, the St. Charles Parish Sheriff is also required to contribute at an actuarially determined rate. The actuarially determined rate for the year ended June 30, 2020 was 12.25% of annual covered payroll. The contribution requirements of plan members and the St. Charles Parish Sheriff are established and may be amended by the Sheriffs' Pension and Relief Fund. The St. Charles Parish Sheriff's total contributions to the retirement plan for the years ended June 30, 2022, 2021 and 2020 were \$5,689,537, \$4,872,373, and \$4,367,034, respectively.

K. DEFERRED COMPENSATION PLAN:

During 2001, the Sheriff's office adopted for its full time employees an I.R.C. 457 Deferred Compensation Plan. The Plan is unqualified, and allows for matching contributions by the Sheriff of up to \$8,750 per employee per year. Matching amounts are considered taxable to the employee for purposes of social security and medicare, but not for federal or state taxation. Amounts expended by the Sheriff's office for matching contributions for the years ended June 30, 2022, 2021 and 2020 were \$937,232, \$850,321 and \$781,104, respectively.

L. RETIREMENT FUND AUDIT REPORT:

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2021. Access to the report and their summary report can be found on the Louisiana Legislative Auditor's website, www.la.gov. The report may also be obtained by writing to the Sheriff's Pension and Relief Fund, 6554 Florida Blvd. Suite 215, Baton Rouge, LA 70806.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Post-retirement Health Care and Life Insurance Benefits

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

Benefits Provided – Medical, dental and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. The employer pays 100% of the medical and dental coverage for the retiree only (not dependents). Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: Hired before July 1st, 2010: 30 years of service at any age; or, age 55 and 15 years of service. Hired on or after July 1st, 2010: 100% coverage for 30 years of service at any age; or, 75% coverage for age 55 and 25 years of service, or, 50% coverage for age 55 and 20 years of service.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after 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	101
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>378</u>
	<u><u>479</u></u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$28,385,382 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%
Salary Increases	3.0%, including inflation
Discount rate	2.16% annually (Beginning of Year to Determine ADC)
	3.54% annually (As of End of Year Measurement Date)
Healthcare cost trend rate	Flat 5.5% annually until year 2030, then 4.5%

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Post-retirement Health Care and Life Insurance Benefits - Continued

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.

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

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	\$ 34,661,119
Changes for the year:	
Service cost	1,009,257
Interest	759,580
Differences between expected and actual experience	(154,295)
Changes in assumptions	(7,016,181)
Benefit payments and net transfers	(874,098)
Net changes	<u>(6,275,737)</u>
Balances at June 30, 2022	<u>\$ 28,385,382</u>

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	<u>\$ 33,317,141</u>	<u>\$ 28,385,382</u>	<u>\$ 24,469,521</u>

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	<u>\$ 25,315,240</u>	<u>\$ 28,385,382</u>	<u>\$ 32,241,688</u>

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 \$1,023,295. At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Post-retirement Health Care and Life Insurance Benefits - Continued

	<u>Deferred Outflows of resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,888,224	\$ (8,262,288)
Changes in assumptions	5,919,793	(7,290,082)
Total	<u>\$ 7,808,017</u>	<u>\$ (15,552,370)</u>

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

<u>Fiscal Year Ending</u>	<u>Net Amount to be Recognized - Current Year</u>	<u>Net Amount to be Recognized - Cumulative</u>
6/30/23	\$ (651,861)	\$ (565,543)
6/30/24	\$ (651,861)	\$ (565,543)
6/30/25	\$ (651,861)	\$ (565,543)
6/30/26	\$ (651,861)	\$ (565,543)
6/30/27	\$ (651,861)	\$ (565,543)
Thereafter	\$ (3,259,307)	\$ (4,916,641)

(10) Changes in Custodial Balances

A summary of changes in the total liabilities of the various custodial fund follows:

	<u>Civil Fund</u>	<u>Tax Collector Fund</u>	<u>Bonds and Fines Fund</u>	<u>Prison Inmate Fund</u>	<u>Work Release Fund</u>	<u>Asset Forfeiture Fund</u>	<u>Total 2022</u>
Balances, July 1, 2021	\$ 52,947	\$ 275,009	\$ 2,511,115	\$ 359,257	\$ 22,494	\$ 38,709	\$ 3,259,531
Additions	906,647	191,519,327	4,535,810	1,060,109	374,124	204,486	198,600,503
Reductions	(914,161)	(191,526,581)	(4,392,037)	(1,056,814)	(354,361)	(47,351)	(198,291,305)
Balances, June 30, 2022	<u>\$ 45,433</u>	<u>\$ 267,755</u>	<u>\$ 2,654,888</u>	<u>\$ 362,552</u>	<u>\$ 42,257</u>	<u>\$ 195,844</u>	<u>\$ 3,568,729</u>

(11) Long-Term Debt

A) Tax Bonds Outstanding

In July 2009, the Sheriff sold \$15,620,000 of tax bonds (Series 2009 A & B) of which \$8,823,000 was used for refunding the Series 1999 revenue bonds that were issued in 1999 for construction of the Correctional Facility. The balance of the proceeds from the Series 2009 A & B bonds was used for the construction of a Law Enforcement Complex which was completed during the year ended June 30, 2011.

On September 1, 2016 the Series 2009 A & B tax bonds were partially refunded in the amount of \$8,875,000, with a discount of \$75,000 to leave a remaining balance of \$2,620,000. In the year ended June 30, 2020 the remaining balance was paid off.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(11) Long-Term Debt - Continued

Payments from inception to maturity on March 1, 2020 as follows:

SERIES 2009 A & B

<u>Date</u>	<u>Description</u>	<u>Principal</u>	<u>Principal Balance</u>	<u>Interest</u>
6/30/16	Beginning Balance	N/A	\$11,570,000	N/A
9/01/16	Refunding	\$8,875,000	2,695,000	N/A
9/01/16	Discount	75,000	2,620,000	\$257,408
3/01/17	Payment	695,000	1,925,000	51,233
3/01/18	Payment	715,000	1,210,000	76,750
3/01/19	Payment	745,000	465,000	48,865
3/01/20	Payment	465,000	-0-	19,065

As previously mentioned, on September 1, 2016, the 2016 Tax Refunding Bond Issue was completed in the amount of \$8,875,000 for the purpose of refunding the Series 2009 A & B tax bonds. The annual debt service requirements on the 2016 Tax Refunding Bond Issue for the next five years and thereafter to the final maturity date on March 1, 2029 is as follows:

SERIES 2016

<u>Year ending June 30</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2023	238,675	865,000	1,103,675
2024	212,350	890,000	1,102,350
2025	180,600	920,000	1,100,600
2026	143,100	955,000	1,098,100
2027	104,100	995,000	1,099,100
2028	63,600	1,030,000	1,093,600
2029	21,500	1,075,000	1,096,500
Total	\$ 963,925	\$ 6,730,000	\$ 7,693,925

In January 2014, the Sheriff sold \$7,500,000 of tax bonds (Limited Tax Bonds Series 2014) which were being used for construction of the Law Enforcement Training Center. The interest rate on the Limited Tax Bonds Series 2014 ranged from 2.00 to 4.35. During the year ended June 30, 2016, the construction of the center was completed, at a total cost (excluding land) of \$7,261,590.

In August of 2019, the Sheriff completed a \$5,935,000 Limited Tax Refunding Bond Issue (Series 2019) for the purpose of refunding all of the callable maturities of the outstanding Series 2014 Bonds, and for paying the cost of issuance of the Bonds. The Bonds mature March 1, 2020, to March 1, 2034 at a rate of three percent and included a discount of \$85,000. The annual debt service requirements on the 2019 Tax Refunding bond Issue for the next five years and thereafter to the final maturity date on March 1, 2034 is as follows:

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(11) Long-Term Debt – Continued

	<u>SERIES 2019</u>		
Year ending June 30	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2023	143,100	350,000	493,100
2024	132,450	360,000	492,450
2025	121,500	370,000	491,500
2026	110,250	380,000	490,250
2027	98,700	390,000	488,700
2028	86,775	405,000	491,775
2029	74,400	420,000	494,400
2030	61,650	430,000	491,650
2031	48,600	440,000	488,600
2032	35,250	450,000	485,250
2033	21,525	465,000	486,525
2034	7,275	485,000	492,275
Total	\$ <u>941,475</u>	\$ <u>4,945,000</u>	\$ <u>5,886,475</u>

The total debt service requirement on all remaining bond obligations (Bonds Series 2016 and 2019 tax refunding bonds) in the future are as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
Total Bond Obligation As of June 30, 2022	\$ <u>1,905,400</u>	\$ <u>11,675,000</u>	\$ <u>13,580,400</u>

The Sheriff's outstanding General Obligation Bonds related to governmental activities of \$11,675,000, contain a provision that in an event of default, the following applies:

LISTED EVENTS – The occurrence of any of the following Listed Events with respect to the bonds shall be deemed a failure of the issuer to comply with the provisions of the Disclosure Certificate:

LISTED EVENTS

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Releases, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer;

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(11) Long-Term Debt – Continued

In the event of a failure of the Issuer to comply with any provision of the Disclosure Certificate any Bondholder or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under the Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

B) Current and Non-Current Liabilities

During the year ended June 30, 2022, the following changes occurred in non-current liabilities reported in the Statement of Net Position.

	Balance 6/30/21	Additions	Reductions	Balance 6/30/22	Current Portion
Compensated absences:					
Vacation leave	\$ 1,178,464	\$ 1,676,295	\$ 1,682,282	\$ 1,172,477	\$ 117,248
Compensatory time	82,236	25,377	-0-	107,613	-0-
	1,260,700	1,701,672	1,682,282	1,280,090	117,248
Net other post employee benefit (OPEB) obligation	34,661,119	1,768,837	8,044,574	28,385,382	-0-
Tax bonds	12,865,000	-0-	1,190,000	11,675,000	1,215,000
Total	\$ 48,786,819	\$ 3,470,509	\$10,916,856	\$41,340,472	\$1,332,248

(12) Litigation and Claims

At June 30, 2022, the Sheriff is involved in several lawsuits claiming damages. For many of the cases, in the opinion of the Sheriff's management, the only exposure to the Sheriff would be any costs in defense of the lawsuits with no liability to the Sheriff in excess of insurance coverage. For those cases which are estimated to exceed insurance coverage, an accrual is recorded in the general fund.

(13) Lease Obligations

The Sheriff is committed under various leases for office space, copy machines, and other equipment.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(13) Lease Obligations - Continued

The leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2022 amounted to \$168,674. Future minimum lease payments for these leases are as follows:

Year ending June 30,	Amount
2023	\$ 152,070
2024	\$ 152,070
2025	\$ 152,070
2026	\$ 152,070
2027	\$ 152,070

(14) Risk Management - General

The Sheriff is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees and to the public; and natural disasters. Those risks are covered by purchasing commercial insurance. To assist in reducing the overall risk, the Sheriff implemented a risk management program. Under this program, a loss fund was established to cover a self-insured retention (SIR) of \$10,000 for property damage and \$125,000 for third party liability per occurrence. Claims in excess of the SIR are payable by the insurance company. The loss fund had a balance of \$351,519 at June 30, 2022 and is included as part of the cash and cash equivalents in the accompanying financial statements.

Risk Management – Group Health and Life Insurance

The Sheriff provides health, accident, and life insurance to its employees. Under this program, which is administered by a service agent, the Sheriff is now partially self-insured for its claims reported during the year up to the "stop-loss" amount of \$175,000 per person. Once the "step-loss" limit is reached, excess liability coverage is in effect for losses reported over that amount. Since the plan began on June 20, 2022 there have been no excess losses up to the date of the audit report, and not enough data has been accumulated to evaluate and estimate a potential claims liability trend. As a result, as of June 30, 2022, no liability for future claim losses has been accrued. In the future, loss development factors will be used by management to estimate the ultimate liabilities, however, because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability will not necessarily result in exact amounts. Claims liabilities will be re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

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

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Basic Financial Statements (Continued)

(16) On-Behalf Payments for Salaries

Qualified employees of the Sheriff's office receive a monthly salary supplement (Supplemental Pay) from either the state or the parish. These supplements which aggregated \$3,688,395 for the year ended June 30, 2022 are reported as revenue and expenditures in the accompanying financial statements.

(18) Evaluation of Subsequent Events

The Sheriff's office has evaluated subsequent events through December 21, 2022, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
Year Ended June 30, 2022
With Comparative Actual Amounts for Year Ended June 30, 2021
2022

	Budget		Actual	Variance With Final Budget Positive (Negative)	2021 Actual
	Original	Final			
Revenues:					
Ad valorem property taxes	\$ 36,350,000	\$ 34,475,000	\$ 34,317,327	\$ (157,673)	\$ 36,560,129
Intergovernmental:					
Federal and state grants	142,000	3,737,300	3,848,655	111,355	6,175,380
State revenue sharing – net	385,000	388,572	388,572	0	389,110
State supplemental pay	1,462,215	1,375,000	1,377,696	2,696	1,423,703
Parish supplemental pay	2,185,000	2,337,962	2,310,699	(27,263)	2,208,647
Video poker	290,000	370,000	435,023	65,023	421,415
Fees, charges, and commissions for services:					
Civil and criminal fees	703,400	580,550	583,625	3,075	549,890
Court attendance	20,000	13,500	15,912	2,412	18,598
Feeding and keeping prisoners	5,150,000	4,800,000	4,833,573	33,573	5,260,891
Transporting prisoners	60,000	40,000	37,019	(2,981)	60,518
Paid details	1,630,000	1,290,000	1,297,124	7,124	1,323,226
Telephone commissions and other	1,398,300	1,839,576	1,414,258	(425,318)	1,563,162
Interest income	40,900	30,840	76,795	45,955	35,413
Miscellaneous:					
Contraband	10,000	19,000	20,534	1,534	61,309
Insurance claims	-0-	-0-	305,902	305,902	-0-
Donations	6,000	18,000	17,214	(786)	5,346
Unclaimed checks	20,000	35,000	19,458	(15,542)	40,799
Other income	-0-	-0-	225,108	225,108	-0-
Other	17,440	97,990	91,001	(6,989)	39,180
Total revenues	49,870,255	51,448,290	51,615,495	167,205	56,136,696
Other financing sources (uses):					
Transfer to other fund	(1,617,200)	(1,617,200)	(1,603,406)	13,794	(1,596,053)
Intergovernmental revenue	-0-	-0-	103,418	103,418	-0-
Sale of assets	40,000	170,083	170,083	-0-	159,098
Total revenues and other financing sources	48,293,055	50,001,173	50,285,590	284,417	54,699,741
Expenditures:					
Current:					
Public Safety:					
Personal services and related benefits	37,650,871	39,422,023	39,508,036	86,013	35,215,510
Contracted services	2,790,000	2,953,010	2,889,734	(63,276)	2,750,011
Operation and maintenance	5,346,352	6,969,552	7,496,545	526,993	5,793,403
Capital outlay	2,447,000	2,467,329	1,947,571	(519,758)	3,198,266
Total expenditures	48,234,223	51,811,914	51,841,886	29,972	46,957,190
Excess (deficiency) of revenues and other financing sources over expenditures	58,832	(1,810,741)	(1,556,296)	254,445	7,742,551
Fund balance at beginning of year	40,304,402	40,167,678	40,167,678	-0-	32,425,127
Fund balance at end of year	\$ 40,363,234	\$ 38,356,937	\$ 38,611,382	\$ 254,445	40,167,678

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Expenditures Compared to Budget (GAAP Basis) - General Fund
Year Ended June 30, 2022
With Comparative Actual Amounts for Year Ended June 30, 2021
2022

	Budget			Variance With	
	Original	Final	Actual	Final Budget	2021
				Positive (Negative)	Actual
Current:					
Public Safety:					
Personnel services and related benefits:					
Sheriff's salary	\$ 177,956	\$ 182,435	\$ 182,435	\$ -0-	\$ 177,624
Deputies' salaries	26,775,415	27,492,650	27,491,246	(1,404)	24,615,955
Vacation	153,500	193,068	189,874	(3,194)	159,470
Terminal leave	20,000	49,000	49,399	399	93,774
Deferred compensation	978,000	939,220	937,232	(1,988)	850,321
Pension and payroll taxes	5,371,000	6,105,650	6,149,326	43,676	5,270,692
Hospitalization/life insurance	<u>4,175,000</u>	<u>4,460,000</u>	<u>4,508,524</u>	<u>48,524</u>	<u>4,047,674</u>
	<u>37,650,871</u>	<u>39,422,023</u>	<u>39,508,036</u>	<u>86,013</u>	<u>35,215,510</u>
Contracted services:					
Liability insurance	1,780,000	1,767,510	1,698,184	(69,326)	1,630,504
Attorney fees	50,000	45,000	45,967	967	31,681
Other professional services	765,000	912,500	918,331	5,831	908,006
Computer software	65,000	55,000	58,578	3,578	55,583
Rent/lease	<u>130,000</u>	<u>173,000</u>	<u>168,674</u>	<u>(4,326)</u>	<u>124,237</u>
	<u>2,790,000</u>	<u>2,953,010</u>	<u>2,889,734</u>	<u>(63,276)</u>	<u>2,750,011</u>
Operation and maintenance:					
Auto fuel	600,000	1,100,000	1,096,493	(3,507)	586,456
Auto repairs and maintenance	485,000	727,000	736,967	9,967	461,968
Building maintenance	230,000	645,000	1,043,673	398,673	468,278
Community service	50,000	50,000	39,882	(10,118)	21,726
Crime lab	41,252	41,252	41,252	-0-	41,252
Criminal investigation	20,000	15,000	14,075	(925)	14,467
Deputy uniforms, supplies, etc.	525,000	615,000	776,649	161,649	619,632
Dues and subscriptions	90,000	80,000	73,587	(6,413)	90,310
Office supplies and expenses	942,000	1,068,600	1,082,841	14,241	1,071,597
Body camera stipend	10,000	100,000	91,116	(8,884)	-0-
Prisoner feeding and maintenance	1,150,100	1,300,100	1,295,298	(4,802)	1,183,008
Radio repairs	-0-	-0-	-0-	-0-	12,773
Telephone and utilities	1,157,000	1,186,800	1,172,639	(14,161)	1,129,903
Travel	15,000	15,000	11,763	(3,237)	13,856
Other	<u>31,000</u>	<u>25,800</u>	<u>20,310</u>	<u>(5,490)</u>	<u>78,177</u>
	<u>5,346,352</u>	<u>6,969,552</u>	<u>7,496,545</u>	<u>526,993</u>	<u>5,793,403</u>
Capital outlay:					
Purchase of vehicles	920,000	1,119,340	1,148,821	29,481	873,331
Construction of building	577,000	78,873	-0-	(78,873)	445,060
Purchase of radios and other equipment	<u>950,000</u>	<u>1,269,116</u>	<u>798,750</u>	<u>(470,366)</u>	<u>1,879,875</u>
	<u>2,447,000</u>	<u>2,467,329</u>	<u>1,947,571</u>	<u>(519,758)</u>	<u>3,198,266</u>
Total expenditures	\$ <u>48,234,223</u>	\$ <u>51,811,914</u>	\$ <u>51,841,886</u>	\$ <u>29,972</u>	\$ <u>46,957,190</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of the Changes in Net OPEB Liability and Related Ratios for the
For the Year Ended June 30, 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB Liability					
Service cost	\$ 1,344,837	\$ 750,146	\$ 1,053,554	\$ 532,095	\$ 1,009,257
Interest	1,247,115	1,292,492	955,375	831,445	759,580
Changes of benefit terms	-0-	-0-	-0-	-0-	-0-
Differences between expected and actual experience	-0-	(6,174,939)	2,517,632	(4,080,009)	(154,295)
Changes of assumptions	-0-	(1,192,270)	6,948,356	850,231	(7,016,181)
Benefit payments	<u>(905,330)</u>	<u>(842,355)</u>	<u>(888,685)</u>	<u>(828,529)</u>	<u>(874,098)</u>
Net change in total OPEB liability	<u>1,686,622</u>	<u>(6,166,926)</u>	<u>10,586,232</u>	<u>(2,694,767)</u>	<u>(6,275,737)</u>
Total OPEB liability - beginning	<u>31,249,958</u>	<u>32,936,580</u>	<u>26,769,654</u>	<u>37,355,886</u>	<u>34,661,119</u>
Total OPEB liability - ending	<u>\$32,936,580</u>	<u>\$26,769,654</u>	<u>\$37,355,886</u>	<u>\$34,661,119</u>	<u>\$28,385,382</u>
Covered - employee payroll	\$14,520,741	\$16,930,004	\$17,437,904	\$17,170,199	\$17,685,305
Net OPEB liability as a percentage of covered - employee payroll	226.82%	158.12%	214.22%	201.87%	160.5%
Notes to Schedule:					
<i>Benefit Changes:</i>	None	None	None	None	None
<i>Changes of Assumptions:</i>					
<i>Discount Rate:</i>	3.88%	3.50%	2.21%	2.16%	3.54%
<i>Health Trend Rate:</i>	5.50%	5.50%	5.50%	variable	variable

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of the Employer's Proportionate Share
Of the Net Pension Liability
For the Year Ended June 30, 2022

Date	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Position Liability (Asset)	Plan Fiduciary Net Position As a % of Total Pension Liability	Covered Employee Payroll	Employer's Net Position Liability As a % of Covered Employee Payroll
2022	\$169,230,285	\$170,988,162	\$ (1,757,877)	101.04%	\$ 17,685,305	(9.94%)
2021	\$153,749,384	\$130,270,140	\$ 23,479,277	84.73%	\$ 17,170,199	136.74%
2020	\$132,322,884	\$117,646,298	\$ 14,676,585	88.91%	\$ 17,437,904	84.16%
2019	\$131,390,167	\$118,750,163	\$ 12,599,554	90.38%	\$ 16,930,004	74.42%
2018	\$121,045,998	\$107,110,680	\$ 13,935,318	88.49%	\$ 14,520,741	95.97%
2017	\$108,561,913	\$ 89,126,064	\$ 19,435,849	82.10%	\$ 20,499,495	94.81%
2016	\$ 99,563,065	\$ 86,228,108	\$ 13,334,957	86.61%	\$ 20,499,495	65.05%
2015	\$ 93,296,247	\$ 81,489,345	\$ 11,806,902	87.34%	\$ 19,181,347	61.55%

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

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of the Employer's Pension Contributions
For the Year Ended June 30, 2022

Date	Actuarially Determined Contribution	Contributions In Relation to The Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions As a Percentage Of Covered Payroll
2022	\$ 3,172,452	\$ 3,172,452	\$ -	\$ 17,685,305	17.94%
2021	\$ 3,071,049	\$ 3,071,049	\$ -	\$ 17,170,199	17.8859%
2020	\$ 2,667,361	\$ 2,667,361	\$ -	\$ 17,437,904	15.2963%
2019	\$ 2,885,846	\$ 2,885,846	\$ -	\$ 16,930,004	17.0457%
2018	\$ 2,952,885	\$ 2,952,885	\$ -	\$ 14,520,741	20.3356%
2017	\$ 2,878,412	\$ 2,878,412	\$ -	\$ 20,499,495	14.0413%
2016	\$ 2,826,930	\$ 2,826,930	\$ -	\$ 20,499,495	13.7902%
2015	\$ 2,664,289	\$ 2,664,289	\$ -	\$ 19,181,347	13.8900%

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

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

OTHER SUPPLEMENTARY INFORMATION

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$10,357,298	\$ 8,334,707
Investments	27,873,712	31,737,454
Receivables:		
Accrued interest	347	455
Due from other governmental units	486,952	564,280
Due from agency funds	67,895	58,889
Other	767,774	548,646
Inventory	34,199	33,337
Prepaid expenses	<u>139,745</u>	<u>37,767</u>
Total assets	<u>\$39,727,922</u>	<u>\$ 41,315,535</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts and other accrued payables	\$ <u>1,116,540</u>	\$ <u>1,147,857</u>
Total liabilities	<u>1,116,540</u>	<u>1,147,857</u>
Fund balance:		
Nonspendable	173,944	71,104
Unassigned	<u>38,437,438</u>	<u>40,096,574</u>
Total fund balance	<u>38,611,382</u>	<u>40,167,678</u>
Total liabilities and fund balance	<u>\$39,727,922</u>	<u>\$ 41,315,535</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Debt Service Fund

Balance Sheet
June 30, 2022

ASSETS	
Cash and cash equivalents	<u>\$200,479</u>
Total assets	<u>\$200,479</u>
FUND BALANCE	
Reserved for debt service	<u>\$200,479</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2022

Revenues:		
Interest income		\$ 489
Other financing sources:		
Transfer from General Fund		<u>1,603,406</u>
Total revenues and other financing sources		1,603,895
Expenditures:		
Debt service:		
Principal	1,190,000	
Interest	<u>427,200</u>	
Total expenditures		<u>1,617,200</u>
Excess of expenditures over revenues and other financing sources		(13,305)
Fund balance at beginning of year		<u>213,784</u>
Fund balance at end of year		\$ <u><u>200,479</u></u>

FIDUCIARY FUND TYPE - CUSTODIAL FUNDS

DESCRIPTION OF FUND:

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

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

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

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

Prison Inmate Work Release Fund - To account for money earned by eligible inmate through the prison work release program.

Asset Forfeiture Fund - To account for money turned over temporarily by the District Attorney's Office per a court order resulting from criminal seizures, awaiting final outcome by the decision of the court.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Custodial Funds

Combining Balance Sheet
June 30, 2022
With Comparative Total for June 30, 2021

	Civil Fund	Tax Collector Fund	Bonds and Fines Fund	Prison Inmate Fund	Work Release Fund	Asset Forfeiture Fund	Total	
							2022	2021
ASSETS								
Cash and cash equivalents	\$ 45,433	\$ 259,507	\$2,654,888	\$ 362,562	\$ 42,257	\$ 195,844	\$3,560,491	\$ 3,251,288
Investments	<u>-0-</u>	<u>8,248</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>8,248</u>	<u>8,243</u>
Total assets	<u>\$ 45,433</u>	<u>\$ 267,755</u>	<u>\$2,654,888</u>	<u>\$ 362,562</u>	<u>\$ 42,257</u>	<u>\$ 195,844</u>	<u>\$ 3,568,739</u>	<u>\$ 3,259,531</u>
LIABILITIES								
Due to General Fund	\$ 5	\$ -0-	\$ 2,850	\$ -0-	\$ -0-	-0-	\$ 2,855	\$ 2,189
Due to taxing bodies and Others	45,428	267,755	2,652,038	314,500	42,251	195,844	3,517,816	2,952,097
Due to inmates	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>48,062</u>	<u>6</u>	<u>-0-</u>	<u>48,068</u>	<u>305,245</u>
Total liabilities	<u>\$ 45,433</u>	<u>\$ 267,755</u>	<u>\$2,654,888</u>	<u>\$ 362,562</u>	<u>\$ 42,257</u>	<u>\$ 195,844</u>	<u>\$ 3,568,739</u>	<u>\$ 3,259,531</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Custodial Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2022
With Comparative Total for Year Ended June 30, 2021

	Civil Fund	Tax Collector Fund	Bonds and Fines Fund	Prison Inmate Fund	Work Release Fund	Asset Forfeiture	Total	
							2022	2021
Balances, beginning of year	\$ 52,947	\$ 275,009	\$ 2,511,115	\$ 359,257	\$ 22,494	\$ 38,709	\$ 3,259,531	\$ 2,233,187
Additions:								
Deposits -								
Sheriff's sales, suits and seizures	525,681	-	-	-	-	204,486	730,167	688,390
Garnishments	351,336	-	-	-	-	-	351,336	199,856
Advance deposits (suits)	29,580	-	-	-	-	-	29,580	16,963
Bonds and fines	-	-	4,532,960	-	-	-	4,532,960	5,273,136
Inmates	-	-	-	1,059,735	374,064	-	1,433,799	1,908,163
Taxes, fees, etc., paid to tax collector	-	191,519,327	-	-	-	-	191,519,327	204,245,362
Interest on investments	50	-	2,850	374	60	-	3,334	2,621
Total addition	906,647	191,519,327	4,535,810	1,060,109	374,124	204,486	198,600,503	212,334,491
Reductions:								
Taxes, fees, etc., distributed to taxing bodies and others	-	191,526,581	-	-	-	-	191,526,581	204,069,490
Deposits settled to -								
Sheriff's General Fund and Clerk of Court	89,880	-	623,248	-	-	-	713,128	913,563
Parish council	-	-	378,436	-	-	-	378,436	427,684
District attorney expense fund	-	-	681,316	-	-	-	681,316	765,781
Judicial expense	-	-	218,809	-	-	-	218,809	251,899
Indigent defender board	-	-	611,546	-	-	-	611,546	671,607
Litigation, attorneys	802,152	-	-	-	-	-	802,152	654,874
Appraisers	5,750	-	-	-	-	-	5,750	7,400
Wrecker and storage	1,964	-	-	-	-	-	1,964	1,036
Official publications	4,800	-	-	-	-	-	4,800	5,223
Louisiana Commission on Law Enforcement	-	-	33,704	-	-	-	33,704	35,252
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund	-	-	37,698	-	-	-	37,698	45,340
Court CMS-State Treasurer	-	-	39,634	-	-	-	39,634	43,167
HCAP - State Treasurer	-	-	25	-	-	-	25	50
Crime laboratory	-	-	39,713	-	-	-	39,713	43,396
Inmates	-	-	-	1,056,814	354,361	-	1,411,175	1,798,517
Other settlements	9,615	-	-	-	-	47,351	56,966	80,807
Other reductions -								
Restitution	-	-	52,210	-	-	-	52,210	43,898
Refunds	-	-	1,675,698	-	-	-	1,675,698	1,449,163
Total reductions	914,161	191,526,581	4,392,037	1,056,814	354,361	47,351	198,291,305	211,308,147
Balances, end of year	\$ 45,433	\$ 267,755	\$ 2,654,888	\$ 362,552	\$ 42,257	\$ 195,844	\$ 3,568,729	\$ 3,259,531

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Compensation, Benefits and other payments to
Agency Head or Chief Executive Officer
Year Ended June 30, 2022

Agency Head Name: Sheriff Gregory C. Champagne

Purpose

	<u>Amount</u>
Salary	\$ 182,435
Benefits – insurance (Medical, Dental, Vision, Life)	10,661
Benefits – retirement	40,873
Deferred compensation (contributions made by the agency)	12,999
Benefits – other (Medicare Tax)	3,030
Vehicle provided by government	4,460
Dues	63
Per diem	1,046
Travel	4,190
Conference travel	1,553
	<u>\$ 261,310</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<u>Federal Grantor/ Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Number</u>	<u>Federal Contract Number</u>	<u>Pass-through Entity Number</u>	<u>Federal Expenditures</u>
<u>Department of Justice:</u>				
2019 Byrne JAG	16.738		2020-DJ-BX-0190	11,228
Passed through Louisiana				
Commission on Law Enforcement:				
Combination Investigation	16.588	-	2021-WF-01-6574	803
Combination Investigation	16.588	-	2020-WF-01-5784	<u>2,518</u>
Total Department of Justice				<u>14,549</u>
<u>Department of Homeland Security:</u>				
Passed through State of Louisiana:				
Dive Team and Equipment Program	97.056	-	EMW-2020-PU-00295	4,915
Disaster Relief -Hurricane Zeta	97.036	-	DR-4577-LA	7,672
Disaster Relief -Hurricane Laura	97.036	-	DR-4559-LA	182,618
Disaster Relief -Hurricane Ida	97.036	-	DR-4611-LA	3,428,207
COVID 19	97.036	-	DR-4484-LA	140,062
Passed through LA. South Central				
Planning and Development				
Commission:				
Gulf States Dive & Rescue	97.067	-	EMW-2020-SS-00014	26,425
Task Force	97.067	-	EMW-2021-SS-00019	<u>18,365</u>
Total Department of Homeland Security				<u>3,808,264</u>
<u>Department of Transportation:</u>				
Passed through Louisiana Department				
of Public Safety:				
State and Community Highway				
Safety Commission	20.600	-	2022-30-51	320
State and Community Highway				
Safety Commission	20.600	-	2021-30-51	<u>4,840</u>
Total Department of Transportation				<u>5,160</u>
Total Expenditures of Federal Awards				\$ <u>3,827,973</u>

Note: The expenditures are presented in this schedule on the modified accrual basis of accounting and in accordance with the requirements of the Uniform Guidance.

Memo Entry: For reconciliation to financial statement – The addition of a state grant of \$20,682 for Drug Abuse Resistance Education (D.A.R.E.) when applied to the total shown above results in \$3,848,655 reported in the financial statement.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the St. Charles Parish Sheriff, Hahnville, Louisiana. The St. Charles Parish Sheriff (the "Sheriff") reporting entity is defined in Note 1 to the Sheriff's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Sheriff, it is not intended to and does not present the financial position or changes in net position of the Sheriff.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Sheriff's financial statements. Such expenses are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expense are not allowable or are limited as to reimbursement.

NOTE 3 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Sheriff's fund financial statements as follows:

Major Funds:

General Fund per Financial Statements	\$ 3,848,655
Less State Grants	<u>(20,682)</u>
Total per Federal Awards Schedule	<u>\$ 3,827,973</u>

NOTE 4 – FEDERAL AWARDS For those funds that have matching revenue and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. Federal awards do not include the Sheriff's operating income from rents or investment (or other non-federal source). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended during the fiscal year."

NOTE 5 - INDIRECT COST RATE The Sheriff has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance, when applicable. No indirect costs were reported for 2022.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Justice System Funding Schedule - Receiving Entity
For The Year Ended June 30, 2022

Cash Basis Presentation	First Six Month Period Ended 12/31/2021	Second Six Month Period Ended 06/30/2022
Receipts From:		
Criminal Court Costs/Fees - St. Charles Parish Sheriff	\$ 43,889	\$ 84,418
Criminal Fines (Other) - St. Charles Parish Sheriff	72,553	110,898
Bond Fees - St. Charles Parish Sheriff	11,107	19,128
Civil Fees - St. Charles Parish Sheriff	<u>91,485</u>	<u>150,145</u>
Total Receipts	<u>\$ 219,034</u>	<u>\$ 364,589</u>

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
FIDUCIARY FUNDS
For the Year Ended June 30, 2022

	First Six Month Period Ended 12/31/2021	Second Six Month Period Ended 06/30/2022
Cash Basis Presentation		
Beginning Balance of Amounts Collected	\$ 2,564,062	\$ 2,764,099
Add: Collections		
Civil Fees	\$ 203,838	\$ 351,423
Bond and Fines	2,286,324	2,246,636
Interest Earnings on Collected Balances	1,398	1,502
Subtotal Collections	2,491,560	2,599,561
Less: Disbursements to Governments & Non Profits		
29th Judicial District Indigent Defender Board - Bond Fees	291,357	320,189
29th Judicial District Judicial Expense Fund - Bond Fees	105,761	113,048
Louisiana Commission on Law Enforcement Criminal Court Costs/Fees	15,269	18,435
Louisiana Traumatic Head and Spinal Cord Criminal Court Costs/Fees	18,562	19,136
Louisiana Supreme Court Criminal Court Costs/Fees	4,112	3,480
Louisiana Department of Wildlife and Fisheries Criminal Court Costs/Fees	40	19
Louisiana State Police Criminal Court Costs/Fees	2,553	4,395
29th Judicial Clerk of Court Criminal Court Costs/Fees	110,259	120,790
29th Judicial Clerk of Court - Contempt Fees	13,797	13,527
St. Charles Parish Finance Council - Fines	117,731	84,835
St. Charles Parish Finance Council Court Costs/Fees	55,457	58,322
29th Judicial District Attorney Criminal Court Costs/Fees	105,817	193,532
29th Judicial District Attorney Criminal Fines Other	127,198	137,144
29th Judicial District Attorney - Other	35,297	46,353
Treasurer - State of Louisiana Criminal Costs/Fees	19,102	20,557
St. Charles Division of Crime Stoppers	12,718	13,702
Subtotal Disbursements to Governments and Nonprofits	1,035,030	1,167,464

ST. CHARLES PARISH SHERIFF
Hahnville, 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 06/30/2022
Less Amounts Retained by Collecting Agency		
St. Charles Parish Sheriff - Criminal Bond Fee	9,056	21,182
St. Charles Parish Sheriff - Criminal Court Costs	48,557	79,750
St. Charles Parish Sheriff - Criminal Fines	29,268	57,251
St. Charles Parish Sheriff - Criminal Contempt Court	9,585	17,834
St. Charles Parish Sheriff - Criminal Crime Lab	15,499	26,035
St. Charles Parish Sheriff - Criminal Other	10,234	17,744
St. Charles Parish Sheriff - Civil - Service	67,377	77,876
St. Charles Parish Sheriff - Civil - Commission	26,118	57,989
St. Charles Parish Sheriff - Civil - Costs	3,100	8,409
St. Charles Parish Sheriff - Civil - Deeds	240	519
Subtotal Amounts Retained by Collecting Agency	<u>219,034</u>	<u>364,589</u>
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Bond and Civil Fee Refunds	1,357	1,963
Restitution Payments to Individuals	15,108	37,101
Other Disbursements to Individuals	1,016,956	1,081,452
Other Settlements and Distributions	4,038	5,577
Subtotal - Disbursements to Individuals/3rd Party Collection or Processing Agencies	<u>1,037,459</u>	<u>1,126,093</u>
Ending Balance of Amounts Collected But Not Disbursed/Retained	<u><u>2,764,099</u></u>	<u><u>2,705,514</u></u>

COMPLIANCE AND INTERNAL CONTROL, AND SINGLE AUDIT SECTION

UZEE, BUTLER, ARCENEUX & BOWES

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(RETIRED)

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

The Honorable Gregory Champagne
St. Charles Parish Sheriff
Hahnville, Louisiana

We have audited 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, the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the St. Charles Parish Sheriff as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise these basic financial statements, and have issued our report thereon dated December 21, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify a deficiency in internal control that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Charles Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Harvey, Louisiana
December 21, 2022

UZEE, BUTLER, ARCENEUX & BOWES

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

The Honorable Gregory Champagne
St. Charles Parish Sheriff
Hahnville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the St. Charles Parish Sheriff's Office compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the St. Charles Parish Sheriff's Office major federal programs for the year ended June 30, 2022. The St. Charles Parish Sheriff's Office major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of St. Charles Parish Sheriff's Office major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U. S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about St. Charles Parish Sheriff's Office compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, St. Charles Parish Sheriff's Office, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.


Harvey Louisiana
December 21, 2022

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 2022

<u>Ref. No.</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact person</u>	<u>Anticipated Completion Date</u>
<u>CURRENT YEAR (6/30/22)</u>						
<u>Internal Control:</u>		None	N/A	None		N/A
<u>Compliance:</u>		None	N/A	None	Maurice Bostick Director of Business and Legal Affairs	N/A
<u>PRIOR YEAR (6/30/21)</u>						
<u>Internal Control:</u>		None	N/A	None		N/A
<u>Compliance:</u>		None	N/A	None	Maurice Bostick Director of Business and Legal Affairs	N/A

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

A. SUMMARY OF AUDITORS' RESULTS

Financial Statement Audit

1. The type of audit report issued was an unmodified opinion on the governmental activities, the major fund, and the aggregate remaining fund information
2. There were no material weaknesses required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America.
3. No instances of non compliance material to the financial statements of the St. Charles Parish Sheriff, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

Audit of Federal Awards

4. There were no material weaknesses required to be disclosed by the *Uniform Guidance* (2CFR 200).
5. The auditor's report on compliance for the major federal award program for the St. Charles Parish Sheriff expresses an unmodified opinion on all major federal programs.
6. No audit findings that are required to be reported in accordance with 2CFR section 200.516(a) were disclosed.
7. The program tested as a major program was: Disaster Relief – Hurricane Ida, 97.036.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. St. Charles Parish Sheriff was determined not to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

No findings are reported.

**C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL
AWARD PROGRAMS AUDIT**

No findings are reported.

STATE OF LOUISIANA, PARISH OF ST. CHARLES

AFFIDAVIT

GREG CHAMPAGNE (Sheriff's Name), Sheriff of ST. CHARLES (Parish)

BEFORE ME, the undersigned authority, personally came and appeared, GREG CHAMPAGNE (Name), the sheriff of ST. CHARLES Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$267,756_ 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 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.



Signature
Sheriff of ST. CHARLES
(Parish)

SWORN to and subscribed before me, Notary, this 5th day of October, 2022 in my office in HAHNVILLE, Louisiana.

(City/Town)



(Signature)

Mitzi T. Petit

(Print), # 152776

Notary Public

Mitzi T. Petit #152776

Ex-Officio Notary, St. Charles Parish Sheriff's Office

(Commission)

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended June 30, 2022

UZEE, BUTLER, ARCENEUX & BOWES

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Honorable Greg Champagne
St. Charles Parish Sheriff
And the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal period July 1, 2021 through June 30, 2022. The St. Charles Parish Sheriff's management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

The St. Charles 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 control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal period July 1, 2021 through June 30, 2022. Additionally, the Louisiana Legislative Auditor 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:

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:
 - 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, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- 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.

Findings: We obtained the St. Charles Parish Sheriff's written policies and procedures manual as well as their employee handbook. The policies and procedures manual and employee handbook address each of the following categories and subcategories as listed above:

- *Budgeting.*
- *Purchasing.*
- *Disbursements.*

- *Receipts/Collections.*
- *Payroll/Personnel.*
- *Contracting.*
- *Credit Cards, Debit Cards, Fuel Cards, and P-Cards.*
- *Travel and Expense Reimbursement.*
- *Ethics.*
- *Debt Service.*
- *Information Technology Disaster Recovery/Business Continuity.*
- *Sexual Harassment.*

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - 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 proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Findings: This section regarding board/finance committee minutes is not applicable to the St. Charles Parish Sheriff.

Bank Reconciliations

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

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
- 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings: We obtained a listing of the St. Charles Parish Sheriff's bank accounts from the client's trial balance. Management stated that this listing is complete in their management representation letter dated December 21, 2022.

We selected the main operating account and also randomly selected four (4) additional accounts for testing. We randomly selected October 2021 as the month for testing. We obtained and inspected the bank statements and reconciliations for each selected account.

We observed that the bank reconciliations were completed within two (2) months of the related statement closing date for each account tested.

We found evidence that a member of management approved each reconciliation except two accounts by signature. The member of management that approved the reconciliation does not handle cash, post entries or ledgers, or issue checks. A recommendation was made that a member of management approve all future bank reconciliations.

We observed that management keeps an "outstanding check" log which is reviewed throughout the year. Per their policy, outstanding checks are researched by management when the checks are more than six (6) months old.

Collections (excluding electronic funds transfers)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 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.
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.
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 statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - 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 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.

Findings: We obtained a listing of the cash deposit sites from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. We found that the Sheriff has five deposit sites. Therefore, we selected all five for our testing. They are:

- *Tax Department.*
- *Bonds and Fines Department.*
- *Records Department.*
- *Crime Scene Department.*
- *Correctional Facility.*

We obtained a listing of all collection locations from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. The collection locations are the same as the deposit sites listed above.

We obtained and inspected the written policies and procedures for the St. Charles Parish Sheriff related to employee job duties. At each location, we observed that each job duty was properly segregated.

We observed that the employees who collected the cash did not reconcile the cash receipts so as to properly create a segregated checks and balance system. Each employee was responsible for only one cash drawer.

We observed that the employees responsible for collecting cash are not responsible for preparing or reconciling the bank deposits.

We found that the employees responsible for collecting cash are not responsible for posting entries to the general ledger or subsidiary ledger.

We further found that the employees responsible for collecting cash are not responsible for reconciling the ledgers to the general ledger or subsidiary ledgers.

We obtained the insurance policy for theft and ensured that all employees who have access to cash are covered by the policy. The insurance policy was in force during the fiscal period ended June 30, 2022.

We randomly selected two (2) deposit dates for each account selected above and obtained supporting documentation of each of the deposits.

We observed that the receipts are sequentially pre-numbered.

We traced the sequentially pre-numbered receipts, the system generated reports, and the other related collection documentation to the deposit slip.

We traced the deposit slip total to the actual deposit reflected on the bank statement.

We observed that the deposits were made at least once per week, if not daily. Per policy, any deposits received over \$500,000 were deposited within one (1) business day.

We traced the actual deposit per the bank statement to the general ledger.

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

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

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

Findings: We obtained a listing of the locations that process payments for the fiscal period from the management of the St. Charles Parish Sheriff. Management stated this the listing is complete in their management representation letter dated December 21, 2022. We found that the Sheriff has five locations that process payments. Therefore, we selected all five for our testing.

We obtained a list of employees involved with non-payroll purchasing and payment functions. We reviewed and obtained the written policies and procedures related to employee job duties and payment functions. The list provided a breakdown of the job duties by employee for non-payroll purchasing and payment functions. We observed that job duties are properly segregated.

We found that at least two (2) employees are involved in initiating a purchase request, approving a purchase, and placing an order or making a purchase. We found that all purchases go through one main employee and are then approved by a member of management.

We also found that at least two (2) employees are involved in processing and approving payments to vendors. As stated above, all purchases go through one main employee and are then approved by a member of management.

We also found that the employee responsible for payments is prohibited from adding and/or modifying vendor files. We found that the Director of Business, adds the vendors. The Finance Officer will add the vendors only in the absence of the Director, if time sensitive.

We also observed that the employees who sign the checks are not responsible for processing payments or mailing the checks. The mail is taken and delivered each day to the post office by an officer of the Sheriff's office.

We obtained a listing of the non-payroll disbursement transaction population from the management of the St. Charles Parish Sheriff. Management stated that the listing is complete in their management representation letter dated December 21, 2022. We randomly selected five (5) disbursements from each location. We obtained and reviewed the supporting documentation for each transaction selected.

We observed that the selected disbursements matched the original invoice(s) and billing statement(s) and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

We also observed that the disbursement documentation included evidence of segregation of duties as tested previously.

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

Findings: We obtained a listing of the active credit cards and fuel cards from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. We found that the Sheriff's office does not maintain or use any debit cards or P-cards.

We selected five (5) cards for testing and randomly selected October 2021 as the date for testing. We obtained the respective statements for each card.

We observed that the monthly statements were reviewed and approved by a member of management who is not the authorized card holder or person listed as authorized to use the card.

We observed that finance charges and late fees were assessed on two of the monthly statements selected. These finance charges and late fees were assessed due to late payment of invoices paid after Hurricane Ida. The finance charges and late fees were refunded by the credit card companies in the month of November 2021 since the late payments were caused by mail disruptions and power outages from the Hurricane.

We randomly selected ten (10) transactions, if applicable, from each statement, excluding fuel cards and obtained supporting documentation for the transactions. We observed that each transaction selected had an original itemized receipt identifying the purchase and written documentation of the business/public purpose. We found that no meal charges were present in the transactions selected. We also found that there were no missing receipts for the transactions selected.

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

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:
 - 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 the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe 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.

Findings: We obtained a listing of the travel and travel-related expense reimbursements during the fiscal period from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. In addition, we obtained the written policies related to travel and expense reimbursements and any supporting documentation.

We found that the Sheriff's policy regarding meal and mileage reimbursement is to follow the policy on those topics published in the Louisiana-Division of Administration Official Travel Guide for 2021-2022. No Sheriff's office employees are considered to have routine lodging needs, and as such, would not meet the requirements of the routine lodging allowances. Instead, Sheriff's office employees book travel after having specific expenses for lodging approved by a department head. Hotels are paid directly by the Sheriff's finance office or a department credit card.

We randomly selected five (5) reimbursements for testing and obtained the supporting documentation.

For the samples tested, the per diem amounts agree with the rates established by the State of Louisiana, if applicable.

We observed that reimbursements of actual costs were supported by an original itemized receipt that identifies precisely what was purchased.

We observed that each reimbursement is supported by documentation of the business/public purpose and other documentation as required by written policies and procedures.

We also observed that each reimbursement was reviewed and approved by a member of management, who was not the person being reimbursed.

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:

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

Findings: We have obtained a listing of the agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. We randomly selected five (5) contracts from the listing.

Of the sample selected, we observed that the contracts were bid in accordance with the Louisiana Public Bid Law.

We also observed that the contracts were approved by the governing body and management, as required by policy.

We found that no contracts were amended.

We randomly selected one payment from each contract tested and obtained the supporting invoice and documentation. We observed and verified that the invoice and related payment agreed to the terms and conditions of the contract in all but one of the contracts selected.

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.
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 agrees to the authorized salary/pay rate found within the personnel file.
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.
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.

Findings: We obtained a listing of the employees and officials employed during the fiscal period from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. We randomly selected five (5) employees or officials. We reviewed their personnel files, and we confirmed that their respective rate of pay on the payroll report agreed to their authorized salaries/pay rates in their personnel files.

We selected October 2021 as the date for testing. We obtained the employees' or officials' attendance records and leave documentation.

We observed that all selected employees or officials documented their daily attendance and leave.

We observed that the attendance and leave records were approved by the appropriate supervisors.

We also observed that any leave accrued or taken was reflected in the entity's cumulative leave records and that the rates paid to the employees or officials agreed to the authorized salary/pay rate in their personnel files.

We obtained a listing of the employees or officials that received termination payments during the fiscal period from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022. We randomly selected two (2) employees who received termination payments. We obtained the related documentation of the hours and pay rates used in management's calculation. We found that the hours paid agreed to the hours stated on the employees' or officials' cumulative leave records and to the pay rates in each respective personnel file. All termination payments were in accordance with entity policy.

We obtained management's representation that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc., have been paid, and the associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Findings: We obtained ethics documentation from management for the 5 employees or officials selected above.

We observed that each selected employee has documentation demonstrating that the 1-hour ethics training has been completed during the fiscal period.

We also observed that each employee/official has read the Sheriff's ethics policy during the fiscal period. Each employee has signed documentation in their personnel file that they have read the ethics policy and been informed of any changes.

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 bond/note issued.
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

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).

Findings: We obtained a listing of the bonds/notes outstanding at the end of the fiscal period from the management of the St. Charles Parish Sheriff. Management stated that this listing is complete in their management representation letter dated December 21, 2022.

We found that no new bonds or notes were issued during the fiscal year.

We selected the series 2019 Limited Tax Refunding Bond Issue and obtained supporting documentation and the amortization schedule. We also reviewed the reserve account and recalculated the entire year activity. We observed that the amounts required by the debt covenant was properly transferred for the year.

Fraud Notice

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.

24. Observe 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.

Findings: Management has indicated that there were no cases where funds or assets of the Sheriff's office have been misappropriated.

We have observed that the Sheriff's office has posted the notice regarding the reporting of misappropriation, fraud, waste, or abuse of public funds required by R.S. 24:523.1 in a common area of their office. The notice is also displayed on the home page of their 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 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.

Findings: We performed the procedures listed above and discussed the results with management.

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.
- 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).
- 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.

Findings: We obtained the sexual harassment training documentation on the five (5) selected employees from above. All of the selected employees provided documentation to verify that they have completed at least one hour of sexual harassment training during the fiscal year ended June 30, 2022.

We observed that the sexual harassment policy is posted on the entity's internal website which is available to all employees. It is part of the entity's standard operating guidelines.

We obtained a copy of the sexual harassment annual report. The report contains all of the applicable requirements of R.S. 42:344 as stated above. The report was dated February 15, 2022, but a recommendation was made that all future reports be completed by February 1st of the year end.

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

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

This report is intended solely to describe the scope of testing performed on those control and compliance areas identified in the Statewide Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.



Uzee, Butler, Arceneaux & Bowes
Certified Public Accountants
Harvey, Louisiana

December 21, 2022

December 21, 2022

Independent Accountant's Report on Applying Agreed-Upon Procedures
Management Response

Year Ended June 30, 2022

1) BANK RECONCILIATIONS
Procedure #3b:

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

FINDING

We found evidence that a member of management approved each reconciliation except two accounts by signature. The member of management that approved the reconciliation does not handle cash, post entries or ledgers, or issue checks. A recommendation was made that a member of management approve all future bank reconciliations.

MANAGEMENT'S RESPONSE

We will ensure that all future bank reconciliations are approved by a member of management who does not handle cash, post entries or ledgers, or issue checks.

2) CONTRACTS

Procedure #15d:

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:

- 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.

FINDING

We randomly selected one payment from each contract tested and obtained the supporting invoice and documentation. We observed and verified that the invoice and related payment agreed to the terms and conditions of the contract in all but one of the contracts selected.

MANAGEMENT'S RESPONSE

We will ensure that all future contracts are paid in accordance with the contract terms.

3) SEXUAL HARASSMENT

Procedure #28:

28. Obtain the Organization'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.

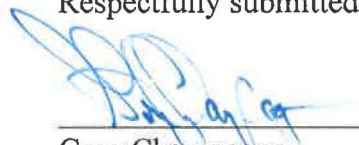
FINDING

We obtained a copy of the sexual harassment annual report. The report contains all of the applicable requirements of R.S 42:344 as stated above. The report was dated February 15, 2022, but a recommendation was made that all future reports be completed by February 1st of the year end.

MANAGEMENT'S RESPONSE

We will ensure that all future sexual harassment annual reports are completed and signed by February 1st for the preceding year.

Respectfully submitted,



Greg Champagne
St. Charles Parish Sheriff